



***ROANOKE CITY COUNCIL
REGULAR SESSION***

***APRIL 7, 2003
9:00 A.M.***

CITY COUNCIL CHAMBER

AGENDA

1. Call to Order--Roll Call.

A communication from Mayor Ralph K. Smith requesting that Council convene in a Closed Meeting to discuss a special award, being the Shining Star Award, pursuant to Section 2.2-3711 (A)(10), Code of Virginia (1950), as amended.

P 13

A communication from Mayor Ralph K. Smith requesting that Council convene in a Closed Meeting to discuss vacancies on certain authorities, boards, commissions and committees appointed by Council, pursuant to Section 2.2-3711 (A)(1), Code of Virginia (1950), as amended.

P 14

A communication from the City Manager requesting that Council convene in a Closed Meeting to discuss acquisition of real property for public purpose, where discussion in open meeting would adversely affect the bargaining position or negotiating strategy of the City, pursuant to Section 2.2-3711 (A)(3), Code of Virginia (1950), as amended.

P 15

A communication from the City Manager requesting that Council convene in a Closed Meeting to discuss acquisition of real property for public purpose, where discussion in open meeting would adversely affect the bargaining position or negotiating strategy of the City, pursuant to Section 2.2-3711 (A)(3), Code of Virginia (1950), as amended.

P 16

THE COUNCIL MEETING WILL BE DECLARED IN RECESS TO BE IMMEDIATELY RECONVENED IN THE EMERGENCY OPERATIONS CENTER CONFERENCE ROOM, ROOM 159.



COUNCIL WORK SESSION

APRIL 7, 2003
9:00 A.M.

ROOM 159

AGENDA

2. Items listed on the 2:00 p.m. Council docket requiring discussion/clarification; and additions/deletions to the 2:00 p.m. docket. (25 minutes)
3. Topics for discussion by the Mayor and Members of Council. (15 minutes)
 - Council/School Board Fiscal Year 2003-04 Budget Study Session (May 8 at 8:30 a.m.).
4. Briefings by City staff:
 - Fleet Management, City Manager - (30 minutes)
 - Stormwater, City Manager - (30 minutes)
 - Debt policy, Director of Finance - (20 minutes)



***ROANOKE CITY COUNCIL
REGULAR SESSION***

***APRIL 7, 2003
2:00 P.M.***

CITY COUNCIL CHAMBER

AGENDA

1. Call to Order--Roll Call.

The Invocation will be delivered by The Reverend F. Tupper Garden, Pastor, Raleigh Court Presbyterian Church.

The Pledge of Allegiance to the Flag of the United States of America will be led by Mayor Ralph K. Smith.

Welcome. Mayor Smith.

NOTICE:

Meetings of Roanoke City Council are televised live on RVTv Channel 3. Today's meeting will be replayed on Channel 3 on Wednesday, April 9, 2003, at 7:00 p.m., and Sunday, April 13, 2003, at 4:00 p.m. Council meetings are now being offered with closed captioning for the hearing impaired.

ANNOUNCEMENTS:

THE PUBLIC IS ADVISED THAT MEMBERS OF COUNCIL RECEIVE THE CITY COUNCIL AGENDA AND RELATED COMMUNICATIONS, REPORTS, ORDINANCES AND RESOLUTIONS, ETC., ON THE THURSDAY PRIOR TO THE COUNCIL MEETING TO PROVIDE SUFFICIENT TIME FOR REVIEW OF INFORMATION. CITIZENS WHO ARE INTERESTED IN OBTAINING A COPY OF ANY ITEM LISTED ON THE AGENDA MAY CONTACT THE CITY CLERK'S OFFICE, ROOM 456, NOEL C. TAYLOR MUNICIPAL BUILDING, 215 CHURCH AVENUE, S. W., OR CALL 853-2541.

THE CITY CLERK'S OFFICE NOW PROVIDES THE MAJORITY OF THE CITY COUNCIL AGENDA ON THE INTERNET FOR VIEWING AND RESEARCH PURPOSES. TO ACCESS AGENDA MATERIAL, GO TO THE CITY'S HOMEPAGE AT WWW.ROANOKEGOV.COM, CLICK ON THE ROANOKE CITY COUNCIL ICON, CLICK ON MEETINGS AND AGENDAS, AND DOWNLOAD THE ADOBE ACROBAT SOFTWARE TO ACCESS THE AGENDA.

ALL PERSONS WISHING TO ADDRESS COUNCIL ARE REQUESTED TO REGISTER WITH THE STAFF ASSISTANT WHO IS LOCATED AT THE ENTRANCE TO THE COUNCIL CHAMBER. ON THE SAME AGENDA ITEM, ONE TO FOUR SPEAKERS WILL BE ALLOTTED FIVE MINUTES EACH, HOWEVER, IF THERE ARE MORE THAN FOUR SPEAKERS, EACH SPEAKER WILL BE ALLOTTED THREE MINUTES.

ANY PERSON WHO IS INTERESTED IN SERVING ON A CITY COUNCIL APPOINTED AUTHORITY, BOARD, COMMISSION OR COMMITTEE IS REQUESTED TO CONTACT THE CITY CLERK'S OFFICE AT 853-2541, OR ACCESS THE CITY'S HOMEPAGE AT WWW.ROANOKEGOV.COM, TO OBTAIN AN APPLICATION.

2. PRESENTATIONS AND ACKNOWLEDGMENTS:

Proclamation declaring the month of April 2003, as Scottish American History and Heritage Month.

P 17

Proclamation declaring the month of April 2003, as Fair Housing Month.

P 18

Proclamation declaring April 6 - 12, 2003, as Building Safety Week.

P 19

Proclamation declaring April 6 - 12, 2003, as Boys and Girls Club Week.

P 20

Proclamation declaring April 13 - 19, 2003, as National Public Safety Telecommunicator's Week.

P 21

3. CONSENT AGENDA

ALL MATTERS LISTED UNDER THE CONSENT AGENDA ARE CONSIDERED TO BE ROUTINE BY THE MEMBERS OF CITY COUNCIL AND WILL BE ENACTED BY ONE MOTION. THERE WILL BE NO SEPARATE DISCUSSION OF THE ITEMS. IF DISCUSSION IS DESIRED, THE ITEM WILL BE REMOVED FROM THE CONSENT AGENDA AND CONSIDERED SEPARATELY.

- C-1 Minutes of the regular meetings of Council held on Monday, February 3, 2003, and recessed until Tuesday, February 4, 2003; and Tuesday, February 18, 2003.

P 22;
P 79

RECOMMENDED ACTION: Dispense with the reading thereof, and approve as recorded.

- C-2 A communication from the City Manager requesting that Council schedule a public hearing for Monday, April 21, 2003, at 7:00 p.m., or as soon thereafter as the matter may be heard, with regard to vacation of a sanitary sewer easement across property located on Hidden Oak Road, S. W., identified as Official Tax Nos. 5050220 - 5050222, inclusive.

P 121

RECOMMENDED ACTION: Concur in the request.

C-3 A communication from the City Manager requesting that Council schedule a public hearing for Monday, April 21, 2003, at 7:00 p.m., or as soon thereafter as the matter may be heard, with regard to conveyance of City-owned property located at 540 Church Avenue, S. W., identified as Official Tax No. 1113414, to the YMCA of Roanoke Valley, Inc., upon certain terms and conditions. P 122

RECOMMENDED ACTION: Concur in the request.

C-4 A communication from Robert L. Humphreys tendering his resignation as a member of the Roanoke Arts Commission. P 124

RECOMMENDED ACTION: Accept the resignation and receive and file the communication.

C-5 Qualification of the following persons:

Gilbert E. Butler, Jr., D. Kent Chrisman and Henry Scholz as members of the City Planning Commission, for terms ending December 31, 2006;

Sherman V. Burroughs as a member of the Fair Housing Board, for a term ending March 31, 2006; and

William White, Sr., as a member of the Hotel Roanoke Conference Center Commission, for a term ending April 8, 2007.

RECOMMENDED ACTION: Receive and file.

REGULAR AGENDA

Selection of persons to be accorded the public interview for the position of Trustee, Roanoke City School Board, on Thursday, April 24, 2003, at 4:30 p.m. Candidates are:

Dennis M. Binns
Rhonda M. Chattin
Chris H. Craft
Robert R. Craig
F. B. Webster Day
Tiffany M. Johnson
Gloria P. Manns
Kathy G. Stockburger
David B. Trinkle

(There are three vacancies. The number of persons to be interviewed shall not exceed three times the number of vacancies.)

4. PUBLIC HEARINGS: NONE.

5. PETITIONS AND COMMUNICATIONS:

- a. A request of Habitat for Humanity in the Roanoke Valley, Inc., to present a faux check representing property taxes, permit fees, and local sales taxes paid to the City, and to discuss new house designs. David Camper, President; and Tom Dalzell, Member, Board of Directors, Spokespersons. (10 minutes) (Sponsored by the City Manager.) P 125
- b. A request of Family Service of the Roanoke Valley to address Council with regard to National Youth Services Day. Laura Boutwell, United with Youth Coordinator, Spokesperson. (10 minutes) (Sponsored by the City Manager.) P 127

- c. A request of the Roanoke City Public Schools to present an update on the Career and Technical Education Program. Scott Meadows, Coordinator, Marketing and Community Engagement. (10 minutes) (Sponsored by the City Manager.) P 129
- d. A request of the Roanoke Regional Airport Commission, to present the proposed 2003-04 Operating Budget, and proposed capital expenditures. Jacqueline L. Shuck, Executive Director, Spokesperson. (10 minutes) (Sponsored by the City Manager.) P 131;
R 137

6. REPORTS OF OFFICERS:

- a. CITY MANAGER:

BRIEFINGS: NONE.

ITEMS RECOMMENDED FOR ACTION:

- 1. A communication recommending appropriation of \$31,200.00 for repayment of 78 positions, in connection with an agreement between the City of Roanoke, First Union National Bank and the Fifth District Employment and Training Consortium relating to jobs in Enterprise Zone One. P 138;
B/O 140
- 2. A communication recommending transfer of \$124,500.00 in connection with restoration of Fire Station No. 1, located at 13 East Church Avenue. P 141;
B/O 143
- 3. A communication recommending transfer of \$1,365,100.00 in connection with renovation of the First Street Bridge. P 144;
B/O 145
- 4. A communication recommending acquisition of certain property rights in connection with the Fire Administration Building Project. P 147;
O 151

5. A communication recommending execution of a Business Associate Agreement with companies that receive health information; and amendment to the health care plan, dental plan and flexible spending account plans to include the Health Insurance Portability and Accountability Act of 1996 privacy requirements.

P 153;
R 169

6. A communication recommending execution of Change Order No. 2 to the contract with Golder Associates, Inc., for ground water exploration investigation and work, in connection with development of additional water sources to increase the City's water supply, in the amount of \$369,835.00; an option agreement to purchase property located at 1905 Riverdale Road, S. E., to be used as a well site; and appropriation of funds in connection therewith.

P 170;
B/O 179;
O 180

b. CITY ATTORNEY:

1. A report transmitting an ordinance amending the City Code to provide that the Director of Real Estate Valuation will be appointed by and report to the Director of Finance, effective August 1, 2003.

P 181;
O 182

c. DIRECTOR OF FINANCE:

1. Financial report for the month of February 2003.

P 184

2. A report recommending approval of a City of Roanoke Debt Policy.

P 204;
R 213

7. REPORTS OF COMMITTEES: NONE.

8. UNFINISHED BUSINESS: NONE.

9. INTRODUCTION AND CONSIDERATION OF ORDINANCES AND RESOLUTIONS: NONE.

10. MOTIONS AND MISCELLANEOUS BUSINESS:

- a. Inquiries and/or comments by the Mayor, Vice-Mayor and Members of City Council.
- b. Vacancies on certain authorities, boards, commissions and committees appointed by Council.

11. HEARING OF CITIZENS UPON PUBLIC MATTERS:

CITY COUNCIL SETS THIS TIME AS A PRIORITY FOR CITIZENS TO BE HEARD. MATTERS REQUIRING REFERRAL TO THE CITY MANAGER WILL BE REFERRED IMMEDIATELY FOR RESPONSE, RECOMMENDATION OR REPORT TO COUNCIL.

12. CITY MANAGER COMMENTS:

CERTIFICATION OF CLOSED SESSION.

THE COUNCIL MEETING WILL BE DECLARED IN RECESS UNTIL FRIDAY, APRIL 11, 2003, AT 12:00 NOON, FOR THE REGIONAL LEADERSHIP SUMMIT LUNCHEON TO BE HOSTED BY VIRGINIA TECH AT VIRGINIA TECH'S DONALDSON BROWN HOTEL & CONFERENCE CENTER AND ALUMNI HALL (OLD GUARD ROOM), BLACKSBURG, VIRGINIA.

**MOTION AND CERTIFICATION
WITH RESPECT TO
CLOSED MEETING**

FORM OF MOTION:

I move, with respect to any Closed Meeting just concluded, that each member of City Council in attendance certify to the best of his or her knowledge that (1) only public business matters lawfully exempted from open meeting requirements under the Virginia Freedom of Information Act and (2) only such public business matters as were identified in any motion by which any Closed Meeting was convened were heard, discussed or considered by the members of Council in attendance.

PLEASE NOTE:

1. The forgoing motion shall be made in open session at the conclusion of each Closed Meeting.
2. Roll call vote included in Council's minutes is required.
3. Any member who believes there was a departure from the requirements of subdivisions (1) and (2) of the motion shall state prior to the vote the substance of the departure that, in his or her judgement, has taken place. The statement shall be recorded in the minutes of City Council.



RALPH K. SMITH
Mayor

CITY OF ROANOKE
OFFICE OF THE MAYOR

215 CHURCH AVENUE, S.W., ROOM 452
ROANOKE, VIRGINIA 24011-1594
TELEPHONE: (540) 853-2444
FAX: (540) 853-1145

April 7, 2003

The Honorable Vice-Mayor and Members
of the Roanoke City Council
Roanoke, Virginia

Dear Members of Council:

This is to request a Closed Meeting to discuss a special award, being the Shining Star Award, pursuant to Section 2.2-3711 (A)(10), Code of Virginia (1950), as amended.

Sincerely,

A handwritten signature in black ink, appearing to read "Ralph K. Smith".

Ralph K. Smith
Mayor

RKS:sm



**CITY OF ROANOKE
OFFICE OF THE MAYOR**

215 CHURCH AVENUE, S.W., ROOM 452
ROANOKE, VIRGINIA 24011-1594
TELEPHONE: (540) 853-2444
FAX: (540) 853-1145

RALPH K. SMITH
Mayor

April 7, 2003

The Honorable Vice-Mayor and
Members of the Roanoke City Council
Roanoke, Virginia

Dear Members of Council:

I wish to request a Closed Meeting to discuss vacancies on certain authorities, boards, commissions and committees appointed by Council, pursuant to Section 2.2-3711 (A)(1), Code of Virginia (1950), as amended.

Sincerely,

A handwritten signature in black ink, appearing to read "Ralph K. Smith", is written over a faint, larger version of the same signature.

Ralph K. Smith
Mayor

RKS:sm



CITY OF ROANOKE

OFFICE OF THE CITY MANAGER

Noel C. Taylor Municipal Building
215 Church Avenue, S.W., Room 364
Roanoke, Virginia 24011-1591
Telephone: (540) 853-2333
Fax: (540) 853-1138
CityWeb: www.roanokegov.com

April 7, 2003

The Honorable Ralph K. Smith, Mayor, and Members of City Council
Roanoke, Virginia

Subject: Request for closed meeting

Dear Mayor Smith and Council Members:

This is to request that City Council convene a closed meeting to discuss the acquisition of real property for a public purpose, where discussion in open meeting would adversely affect the bargaining position or negotiating strategy of the City, pursuant to §2.2-3711.A.3, of the Code of Virginia (1950), as amended.

Sincerely,

A handwritten signature in black ink, appearing to read "Darlene L. Burcham".

Darlene L. Burcham
City Manager

DLB/f

c: William M. Hackworth, City Attorney
Jesse A. Hall, Director of Finance
Mary F. Parker, City Clerk

CITY OF ROANOKE
OFFICE OF THE CITY MANAGER

Noel C. Taylor Municipal Building
215 Church Avenue, S.W., Room 364
Roanoke, Virginia 24011-1591
Telephone: (540) 853-2333
Fax: (540) 853-1138
CityWeb: www.roanokegov.com

April 7, 2003

The Honorable Ralph K. Smith, Mayor, and Members of City Council
Roanoke, Virginia

Subject: Request for closed meeting

Dear Mayor Smith and Council Members:

This is to request that City Council convene a closed meeting to discuss the acquisition of real property for a public purpose, where discussion in open meeting would adversely affect the bargaining position or negotiating strategy of the City, pursuant to §2.2-3711.A.3, of the Code of Virginia (1950), as amended.

Sincerely,



Darlene L. Burcham
City Manager

DLB/f

c: William M. Hackworth, City Attorney
Jesse A. Hall, Director of Finance
Mary F. Parker, City Clerk

Office of the Mayor

CITY OF  ROANOKE

Proclamation

WHEREAS, the citizens of the City of Roanoke are proud to join with the Scottish Society of the Virginia Highlands in recognizing the unique history and contributions of Scottish Americans to this country, and such distinguished Virginians of Scottish descent as Patrick Henry, James Monroe and Woodrow Wilson; and

WHEREAS, the Declaration of Arbroath, the Scottish Declaration of Independence (after which this country's Declaration of Independence was modeled), was signed on April 6, 1320; and

WHEREAS, on March 21, 1998, the United States Senate passed a bill establishing April 6 as National Tartan Day; and

WHEREAS, the citizens of the City of Roanoke are encouraged to recognize the achievements of Scottish Americans in the fields of science, technology, medicine, government, literature and visual and performing arts; and

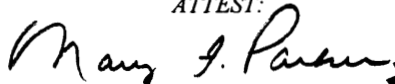
WHEREAS, Scottish Americans are commended for their ongoing contributions to our great country.

NOW, THEREFORE, I, Ralph K. Smith, Mayor of the City of Roanoke, Virginia, urge all citizens to join in this celebration, and do hereby proclaim April 2003, throughout this great All-America City, as

SCOTTISH AMERICAN HISTORY AND HERITAGE MONTH.


Given under our hands and the Seal of the City of Roanoke this seventh day of April in the year two thousand and three.

ATTEST:

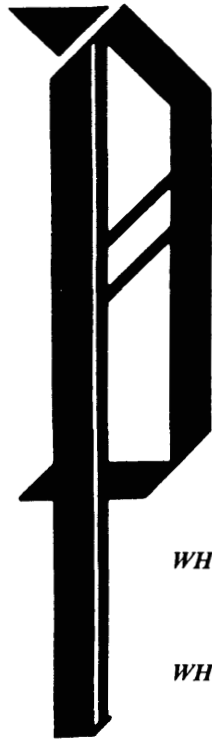


Mary F. Parker
City Clerk





Ralph K. Smith
Mayor



Office of the Mayor

CITY OF  ROANOKE

Proclamation

WHEREAS, the Congress of the United States passed the Civil Rights Act of 1968, and Title VIII declared that the law of the land would now guarantee the rights of equal housing opportunity; and

WHEREAS, the City of Roanoke has provided a Fair Housing Program for its residents, and today many realty companies and associations support fair housing laws; and

WHEREAS, beginning in the month of April 2003 until April 2004, the Fair Housing Board will carry out a full range of activities in recognition of the 35th Anniversary of the Federal Fair Housing Act of 1968 and the 15th Anniversary of the Federal Fair Housing Amendments Act of 1988 by conducting an extensive educational program advising citizens of their rights to enjoy equal housing in the City of Roanoke; and

WHEREAS, equal housing opportunity is a condition of life in the City of Roanoke that can and should be achieved, and all citizens are encouraged to abide by the letter and spirit of the Fair Housing Law.

NOW, THEREFORE, I, Ralph K. Smith, Mayor of the City of Roanoke, Virginia, do hereby proclaim the month of April, 2003, throughout this great All-America City, as

FAIR HOUSING MONTH.

Given under our hands and the Seal of the City of Roanoke this seventh day of April in the year two thousand and three.

ATTEST:

Mary F. Parker
City Clerk



Ralph K. Smith
Mayor



Office of the Mayor

CITY OF  ROANOKE

Proclamation

WHEREAS, the United States has the highest level of building safety in the world; and

WHEREAS, the International Code Council, in partnership with dedicated building safety and fire officials, architects, engineers and the construction industry, develops and enforces the codes that safeguard our homes, schools and the buildings in which we work, thereby allowing comfort and security of structures that are safe and sound; and

WHEREAS, construction codes provide reasonable safeguards to protect citizens from dangerous situations such as snowstorms in the North, hurricanes in the Southeast, tornadoes in the Midwest, forest fires in the Southwest and earthquakes on the West Coast; and

WHEREAS, Building Safety Week, sponsored by the International Code Council, provides an opportunity to educate the public; it is a time to increase public awareness of the life safety services provided by local and state building departments and federal agencies; and

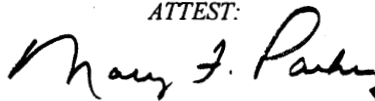
WHEREAS, the theme of Building Safety Week is, "Safe Buildings Save Lives," and encourages the awareness of building safety and appropriate steps to improve the built environment.

NOW, THEREFORE, I, Ralph K. Smith, Mayor of the City of Roanoke, Virginia, encourage all citizens to improve building safety at home and in the community and to participate in Building Safety Week activities, and do hereby proclaim April 6 – 12, 2003, throughout this great All-America City, as


BUILDING SAFETY WEEK.

Given under our hands and the Seal of the City of Roanoke this seventh day of April in the year two thousand and three.

ATTEST:



Mary F. Parker
City Clerk



Ralph K. Smith
Mayor

Office of the Mayor

CITY OF  ROANOKE

Proclamation

WHEREAS, the young people of the City of Roanoke are the leaders of tomorrow; and

WHEREAS, many such young people need professional youth services to help them cope with a wide range of social and financial hardships; and

WHEREAS, there are six Boys & Girls Club organizations in the Roanoke Valley/New River Valley, which provide services to more than 1,500 young people annually; and

WHEREAS, Boys & Girls Club organizations are at the forefront of efforts in providing diverse activities in the areas of Character and Leadership Development, Education and Career Development, Health and Life Skills, Arts and Sports, Fitness and Recreation; and

WHEREAS, Boys & Girls Club organizations in the state help to ensure that young people are kept off the streets by offering them a safe and supportive place to go and providing them with quality programs; and

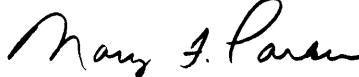
WHEREAS, Boys & Girls Clubs of the Roanoke Valley, along with approximately 3,100 Clubs and more than 3.3 billion young people nationwide, will celebrate National Boys & Girls Club Week 2003.

NOW, THEREFORE, I, Ralph K. Smith, Mayor of the City of Roanoke, Virginia, call upon all citizens to join in recognizing and commending the Boys & Girls Club organizations for providing comprehensive, effective services to the young people in our communities, and do hereby proclaim April 6 – 12, 2003, throughout this great All-America City, as

BOYS & GIRLS CLUB WEEK.

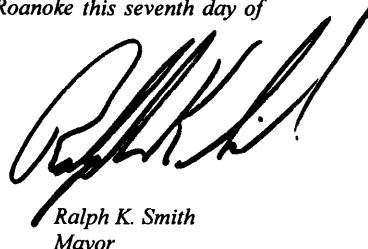
Given under our hands and the Seal of the City of Roanoke this seventh day of April in the year two thousand and three.

ATTEST:



Mary F. Parker
City Clerk





Ralph K. Smith
Mayor



Office of the Mayor

CITY OF  ROANOKE

Proclamation

WHEREAS, emergencies can occur at any time, and the prompt response of police officers, firefighters and paramedics is critical to the protection of life and the preservation of property; and

WHEREAS, the safety of police officers and firefighters is dependent upon the quality and accuracy of information obtained from citizens who telephone the Roanoke City E-911 Center; and

WHEREAS, public safety dispatchers are the first and the most critical contact that citizens have with emergency services, and they are the single vital link for police officers and firefighters by monitoring activities by radio, providing information and insuring safety; and

WHEREAS, public safety telecommunications of the Roanoke City Communications Center have contributed substantially to the apprehension of criminals, suppression of fires and treatment of patients, and each dispatcher has exhibited compassion, understanding and professionalism during the performance of their duties.

NOW, THEREFORE, I, Ralph K. Smith, Mayor of the City of Roanoke, Virginia, in honor of the men and women whose diligence and professionalism keep the City and its citizens safe, do hereby proclaim the week of April 13 -19, 2003, throughout this great All-America City, as

NATIONAL PUBLIC SAFETY TELECOMMUNICATOR'S WEEK.

Given under our hands and the Seal of the City of Roanoke this seventh day of April in the year two thousand and three.

ATTEST:

Mary F. Parker
City Clerk



Ralph K. Smith
Mayor

REGULAR WEEKLY SESSION-----ROANOKE CITY COUNCIL

February 3, 2003

9:00 a.m.

The Council of the City of Roanoke met in regular session on Monday, February 3, 2003, at 9:00 a.m., the regular meeting hour, in the City Council Chamber, fourth floor, Noel C. Taylor Municipal Building, 215 Church Avenue, S. W., City of Roanoke, Virginia, with Mayor Ralph K. Smith presiding, pursuant to Chapter 2, Administration, Article II, City Council, Section 2-15, Rules of Procedure, Rule 1, Regular Meetings, Code of the City of Roanoke (1979), as amended; and pursuant to Resolution No. 36193-010603 adopted on January 6, 2003, which changed the time of commencement of the regular meeting of Council to be held on the first Monday in each month from 12:15 p.m., to 9:00 a.m.

PRESENT: Council Members William D. Bestpitch, M. Rupert Cutler, Alfred T. Dowe, Jr., and Mayor Ralph K. Smith-----4.

ABSENT: Council Members William H. Carder, C. Nelson Harris and Linda F. Wyatt-----3.

OFFICERS PRESENT: Darlene L. Burcham, City Manager; William M. Hackworth, City Attorney; Jesse A. Hall, Director of Finance; and Mary F. Parker, City Clerk.

At 9:05 a.m., the Mayor declared the meeting in recess.

At 9:15 a.m., the meeting reconvened in the Emergency Operations Center Conference Room, Room 159, Noel C. Taylor Municipal Building, 215 Church Avenue, S. W., City of Roanoke, Virginia, with Mayor Smith presiding, and all Members of the Council in attendance, with the exception of Council Member Carder.

OFFICERS PRESENT: Darlene L. Burcham, City Manager; William M. Hackworth, City Attorney; Jesse A. Hall, Director of Finance; and Mary F. Parker, City Clerk.

COUNCIL:

ITEMS LISTED ON THE 2:00 P.M. COUNCIL DOCKET REQUIRING QUESTIONS/DISCUSSION/CLARIFICATION/ADDITIONS AND DELETIONS: Council Member Cutler referred to agenda item 4.a., in connection with the rezoning of land by the Northwest Neighborhood Environmental Organization and Robert Crowder in the 500 block of Loudon and Centre Avenues, N. W., and the impact of such rezoning on the business of Quality Produce Company. He stated that the proposed ordinance does not reflect the concerns expressed by Quality Produce Company at the Council meeting on Tuesday, January 21, 2003, that the business will not be harmed by construction of the proposed new housing complex across the street from its operation.

The City Attorney advised that it is not known how Quality Produce Company will operate in the future; the attorney for Quality Produce has requested that the City take the position that his client is a good corporate citizen; however, the City Attorney advised that the City should issue no more than a general statement relating to the business inasmuch as Council is not authorized to give away police powers of the City.

The City Manager advised that at the 2:00 p.m., Council session, it would be appropriate for a member of Council to advise that the matter was discussed during the Council's 9:00 a.m. work session, that Council is concerned about the potential adverse impact on the business of Quality Produce Company, but the Council is not in a position to issue a letter that would have the affect of assuring Quality Produce that it will not be interfered with in the future. She called attention to plans of NNEO for additional landscaping that would act to some extent as a sound barrier, however, the current budget of NNEO may not contain funds to accommodate additional landscaping at this time.

Council Member Wyatt offered a suggestion that there be full disclosure to all occupants prior to moving into the NNEO housing units that there could be noise in the early morning hours as a result of the operation of Quality Produce Company; whereupon, the Director of Planning and Code Enforcement advised that he would confer with the City Attorney and the Executive Director of NNEO prior to the 2:00 p.m. Council meeting to determine if they would be amenable to the suggestion.

With regard to Council agenda item 6.a.7, which is a communication from the City Manager in connection with the Virginia Pollutant Discharge Elimination System General Permit Registration Statement for Storm Water Discharges, Mr. Cutler inquired if the City's Environmental Protection Administrator would be present for the 2:00 p.m. Council session to be commended on his work; whereupon, the City Manager advised that Mr. Truntich was out of the City, but would be advised of the Council's remarks.

With regard to Council agenda item 6.a.6, which is a communication from the City Manager recommending transfer of funds for traffic calming initiatives, Council Member Wyatt expressed concern with regard to transferring the funds from the Valley View Boulevard Exchange budget. She requested more information on how the funds will be allocated, and advised that Williamson Road residents have been patient in regard to traffic needs in the Valley View area and have waited patiently for Phase II of the Valley View project, however, it now appears that the remaining funds are proposed to be transferred to another account. She inquired about the potential impact to the Valley View Interchange project if the funds are used for another purpose and requested more specific information on the City Manger's proposed traffic calming initiatives before voting to allocate the recommended funds.

The Director of Public Works advised that the Valley View Interchange project is closed out, with no further charges anticipated to be accrued. He stated that Phase II of the Valley View project is 10-15 years in the future on the list of Virginia Department of Transportation projects for future implementation.

The City Manager advised that traffic calming expenditures will be used for Memorial Avenue, Grandin Road, Williamson Road, and the Bullitt/Jamison Corridor which are the latest "hot button" topics discussed by the City for traffic calming. She further advised that City staff has brought each of the above mentioned traffic calming projects to Council for briefings; however, if the majority of the Council is not ready for staff to proceed on the specific projects, staff should be advised accordingly. She stated that the item can be withdrawn from the Council agenda to allow for specific work sessions on each traffic calming project, which can be followed by a vote of the Council.

It was stated that it would be helpful for Council to know the priority of traffic calming areas to be addressed by the City and costs pertaining to each project. It was also stated that if the other loop of the Valley View Boulevard Interchange is not to be completed for another 10 - 15 years, the City should put the funds to use now, and the City should work with VDOT to provide more aesthetically pleasing signage when leaving Valley View Mall.

BRIEFINGS BY CITY STAFF:

CHURCH AVENUE PARKING STUDY:

The City Manager advised that studies have been completed in the past of various aspects of the community, some of which have been adopted and others have been used as tools by City staff, but were not officially presented to the Council. She called attention to a study of the western section of the downtown area, or the Jefferson Center area, that suggested over the long term that there would be a need for some type of parking facility. She explained that as the City reviewed the construction/design of Phase II of the Police Building on Campbell Avenue, the issue of parking for the facility, as well as certain other locations in the area was discussed, including the soon to be ground breaking for the new YMCA, increased usage at the Jefferson Center as a venue for numerous activities, and reuse of the Cotton Mill Building. She stated that at her request, City staff commissioned a parking study that would take into account all of the needs, along with parking for the courthouse and other buildings along Church Avenue; the study has been completed and while City staff does not have a specific conclusion to recommend to the Council as to location, size and cost, it was considered to be advantageous to share the information with Council prior to consideration of the Capital Improvements Program budget and departmental budgets over the next several months.

The City Engineer presented a map of the study area which spans from Second Street on the east, to 7th Street on the west, and Campbell Avenue on the north down to Marshall Avenue. He advised that four sites were identified by the consultant, the purpose of which was to include both active and planning projects in the Church Avenue west corridor, encompassing Phase II expansion of the Police Building, the new YMCA Aquatic Center, potential renovations and expansion of the courthouse building, and the Jefferson Center, etc. He explained that a detailed inventory of every parking supply in the area was provided by time of day, all stakeholders were identified, including the Jefferson Center, YMCA, Red Cross, Oakley's Funeral Home, municipal activities, courts and jail activities, and proposed

use of the Cotton Mill. He advised that the consultant collected all of the pertinent data and built parking supply and demand curves to look at parking demand for each stakeholder based on time of day and weekend activity.

He explained that the study concluded that for a typical weekday, there is a deficit of approximately 454 parking spaces in the study area, based on a peak demand for about 930 spaces; peak period generally occurs between the hours of 10:00 a.m. and 2:00 p.m., and there are currently about 533 spaces in the study area which leaves a deficit of about 450 spaces. He advised that the study identified a potential shortfall for Saturday afternoon/evening performances at the Jefferson Center, which calls for a peak demand of 560 spaces, with only 286 currently available parking spaces. In addressing the parking deficit, he advised that structured parking of some kind is likely, at a cost in the range of \$10,000.00 per space up to about \$15,000.00 not including land costs, engineering, etc., for a 500 space parking garage in the price range of \$5 - \$7.5 million in construction costs; and called attention to potential partners, some of which include the YMCA and the Jefferson Center. He advised that the consultant identified the following sites: Luck Avenue site which is the surface lot owned by the City, the site of the existing YMCA building which is a parcel of land that will be owned by the City when the new YMCA building is completed, and the site directly behind the police building on Church Avenue which is privately held; and other potential sites located on Campbell Avenue and owned by The Roanoke Times, and the Salem Avenue property that was destroyed by fire. He explained that from the perspective of City staff, there is a demand for 500 parking spaces to be located somewhere in the proximity of the study area; City staff is looking at the pluses and minuses of each of the potential sites; and staff will prepare a Capital Improvements Program project for Council's consideration as a part of the budget process.

During a discussion by Council, the following points were made: City staff should be cognizant of the need to design a facility that will fit in with the character of the area; First Baptist Church should be approached as a potential stakeholder; and Roanoke is not a walking community, so there could be a need for two smaller facilities, as opposed to one large parking facility to address the parking issue at the Jefferson Center/YMCA and other locations closer to downtown Roanoke.

The City Manager advised that in establishing the location, no one site will satisfy the needs of all stakeholders; however, her commitment to staff has been, and is in concert with the City's Comprehensive Plan, that the City does not wish to build any more surface parking lots, but prefers to build structures on parking lots. Additionally, she stated that government should build on the more challenging locations and leave the prime spots for future development by the private sector.

It was suggested that as City staff studies the parking garage issue, it should also explore the feasibility of a shuttle bus system, making it more cost effective to construct a larger parking garage, as opposed to two smaller parking garages.

The City Manager advised that City staff will review methods of financing and a recommendation will be forwarded to Council at a later date.

FIRST STREET BRIDGE:

The City Manager advised that some time ago, a status report was presented to the Council regarding renovation/rehabilitation of the First Street Bridge as a pedestrian bridge and, at that time, the direction from Council was to delay any additional work on the bridge until the Outlook Roanoke Plan was updated; City staff was instructed to cease any further design, and in the meantime construction of the Gainsboro Bridge proceeded. She further advised that the Outlook Roanoke Plan brought forth the recommendation that the bridge should also be vehicular; and when consultants reviewed the bridge configuration, it was determined that there would be sufficient space for only one-way vehicular traffic and it was suggested that traffic should be directed into the downtown area. She stated that with adoption of the Outlook Roanoke Plan by the City Planning Commission and City Council, additional design work was completed and the purpose of the briefing was to present Council with the latest design sketches for rehabilitation of the First Street Bridge. She indicated that this particular design is in concert with adoption of the Outlook Roanoke Plan for a vehicular bridge, with one way traffic into the City and a pedestrian walkway, and it will be necessary to request additional funding by Council.

Ms. Wyatt advised that previously when considering the Outlook Roanoke Plan, she was assured that adoption of the Plan did not mean that the First Street Bridge would automatically be a vehicular bridge. The City Manager responded that staff has completed the work and is prepared to brief Council on both cost and design issues, however, there are funding issues which require additional direction from the Council as soon as possible. She called attention to the need to move forward with improvements to the First Street Bridge, because in its current condition, the bridge represents unfinished business and provides a sense of uncertainty about the City's plans.

The City Engineer advised that the existing bridge is in poor condition, was previously closed because of its condition, and has been closed for over two years. He presented information on the current concept which features a new bridge that very closely resembles the old bridge that would be designed to carry vehicles and pedestrians in one direction from north to south. He further advised that the

concept provides that existing stone piers will be used on either side with moderate rehabilitation work, a new steel truss structure will be constructed that will appear exactly the same as the existing truss bridge, with a concrete deck supported by four steel girders underneath, the pedestrian walkway would be on the same side as it currently exists and varies in width from about seven feet narrowing down to 5.5 feet in one spot, a one vehicle lane up to 12 feet wide, a concrete walkway at Salem Avenue, the existing ramp would be replaced and support piers would be changed, a new descending ramp will be constructed, and a pedestrian walkway will be constructed on the east side of the bridge, with one way vehicular traffic to the west.

The City Engineer explained that the remainder of the features, in concept, include landscaping design with period lighting fixtures similar to those in the Historic Gainsboro neighborhood, sidewalk improvements from the north end of the bridge, and a handicap ramp that would be used to accommodate the parking garage. He stated that project cost is estimated at \$2.2 million, and approximately \$700,000.00 is currently identified for the First Street Bridge, therefore, there is a budget issue to be addressed.

Mr. Cutler advised that Explore Park would be interested in the First Street Bridge in the event it is to be recycled.

The City Manager advised that the \$2.2 million includes \$275,000.00 for removal of railroad signals and Norfolk Southern has been requested to consider that as their cost, however, no response has been received to date. She further advised that a pedestrian bridge with an elevator on the south side would cost approximately \$1.1 million.

Vice-Mayor Harris advised that when the elevator was designed, the Council at that time operated on the premise that the First Street Bridge would be a pedestrian bridge; there is a substantial cost differential between pedestrian only and pedestrian/vehicular of approximately \$1 million; the goal has been to create pedestrian activity with the Henry Street Project, the Higher Education Center, and the railside linear walk, therefore, the First Street Bridge creates the necessary link between these pedestrian-oriented concepts; and the City has made a significant investment to make the Second Street Bridge vehicular. He stated that he did not see a great need to make the First Street Bridge a one-way vehicular bridge because once the bridge is crossed in the direction of the Higher Education Center, one of the other vehicular arteries will have to be used to exit the area. He indicated that all things taken into consideration, the original concept is still the best concept -- a pedestrian only bridge, and he encouraged Council to make a decision as soon as possible so that the City can move forward on design of the First Street Bridge.

In view of the costs involved, Council Member Bestpitch advised that it would be short sighted on the part of the City not to make the bridge one way vehicular/pedestrian. He stated that the more opportunities that are provided for persons to access The Hotel Roanoke, the Dumas Artistic Center, RNDC development, etc., the more they will want to come back to the area for future events. He advised that while there is some additional cost involved, it represents a reasonable amount of additional money when compared to the amount of traffic that will use the bridge.

Council Member Cutler advised that regardless of whether the First Street Bridge is vehicular or not, one of the potential uses is that it be a part of the Lick Run Greenway, and the Roanoke Valley Greenway Commission acknowledges telephone calls regularly from persons attending meetings at The Hotel Roanoke who inquire about 3k or 5k jogging paths from The Hotel Roanoke to various destinations. He stated that he is in favor of encouraging pedestrian use of the bridge, with or without vehicular traffic.

Council Member Wyatt spoke to the concept of providing a picnic shelter for use by school children visiting the area which could be constructed in the vicinity of the First Street Bridge. She stated that if the bridge is pedestrian, more persons will have the opportunity to visit those venues in the area that Roanoke wishes to showcase.

There was discussion in regard to the cost of constructing a pedestrian bridge with no elevator.

Council Member Dowe suggested that the City of Roanoke propose that the First Street Bridge be named the Dr. Martin Luther King, Jr. Memorial Bridge. He called attention to discussions with various organizations in the community and advised that there does appear to be a consensus within the City regarding the possibility of naming of the First Street Bridge in memory of Dr. King, with the understanding that the First Street Bridge may, or may not, be the first or the last thing that will be named in memory of Dr. King.

Ms. Wyatt advised that as a pedestrian bridge, the First Street Bridge could serve as a history walk to highlight the life of Dr. King and his role in the Civil Rights movement, it could serve as a teaching tool for the community in general, and it could serve as a symbol to bridge the community, which is what Dr. King's life was about.

Mr. Cutler concurred in the remarks of Mr. Dowe and inquired as to the feasibility of providing a shuttle bus to cross the bridge, eliminating the need for vehicular traffic.

There was discussion in regard to public input on the proposal to name the bridge in memory of Dr. King; whereupon, it was noted that the proposal of Mr. Dowe meets the criteria of the Dr. Martin Luther King, Jr. Committee that was appointed by the City Manager to study and submit recommendations for a fitting memorial to Dr. King.

Vice-Mayor Harris moved that Council vote on the question of whether the First Street Bridge will be vehicular/pedestrian at its meeting on Tuesday, February 18, 2003, at 2:00 p.m. The motion was seconded by Mr. Dowe and adopted.

There was discussion as to whether a public hearing is in order in connection with naming the First Street Bridge in memory of Dr. King; whereupon, the Mayor advised that at this point it would be appropriate for the community to engage in discussions.

It was the consensus of Council that the remainder of the briefings would take place following the 2:00 p.m. session of the Council.

At 12:00 noon, the Mayor declared the meeting in recess.

At 2:00 p.m., on Monday, February 3, 2003, the Council meeting reconvened in the City Council Chamber, fourth floor, Noel C. Taylor Municipal Building, 215 Church Avenue, S. W., City of Roanoke, Virginia, with Mayor Smith presiding.

PRESENT: Council Members William D. Bestpitch, M. Rupert Cutler, Alfred T. Dowe, Jr., C. Nelson Harris, Linda F. Wyatt and Mayor Ralph K. Smith-----6.

ABSENT: Council Member William H. Carder-----1.

OFFICERS PRESENT: Darlene L. Burcham, City Manager; William M. Hackworth, City Attorney; Jesse A. Hall, Director of Finance; and Mary F. Parker, City Clerk.

The meeting was opened with a prayer by The Reverend Robert L. Beasley, Chief Pastor, St. John's Episcopal Church.

The Pledge of Allegiance to the Flag of the United States of America was led by Mayor Smith.

PRESENTATIONS AND ACKNOWLEDGMENTS:

PROCLAMATIONS - SCHOOLS: The Mayor presented a proclamation declaring February 9 - 15, 2003, as Career and Technical Education Week.

CONSENT AGENDA

The Mayor advised that all matters listed under the Consent Agenda were considered to be routine by the Members of Council and would be enacted by one motion in the form, or forms, listed on the Consent Agenda, and if discussion was desired, that item would be removed from the Consent Agenda and considered separately. He called attention to two requests for Closed Session.

MINUTES: Minutes of the regular meeting of Council held on Monday, December 16, 2002, and recessed until Wednesday, December 18, 2002, were before the body.

(For full text , see Minutes on file in the City Clerk's Office.)

Mr. Dowe moved that the reading of the minutes be dispensed with and that the Minutes be approved as recorded. The motion was seconded by Mr. Cutler and adopted by the following vote:

AYES: Council Members Dowe, Harris, Wyatt, Bestpitch, Cutler and Mayor Smith -----6.

NAYS: None-----0.

(Council Member Carder was absent.)

COMMITTEES-CITY COUNCIL: A communication from Mayor Ralph K. Smith requesting that Council convene in a Closed Meeting to discuss a special award, being the Shining Star Award, pursuant to Section 2.2-3711 (A)(10), Code of Virginia (1950), as amended, was before the body.

Mr. Dowe moved that Council concur in the request of the Mayor to convene in Closed Session as above described. The motion was seconded by Mr. Cutler and adopted by the following vote:

AYES: Council Members Dowe, Harris, Wyatt, Bestpitch, Cutler and Mayor Smith -----6.

NAYS: None-----0.

(Council Member Carder was absent.)

CITY ATTORNEY-CITY COUNCIL: A communication from the City Attorney requesting that Council convene in a Closed Meeting to consult with legal counsel on a matter of pending litigation, pursuant to Section 2.2-3711 (A)(7), Code of Virginia (1950), as amended, was before the body.

Mr. Dowe moved that Council concur in the request of the City Attorney to convene in Closed Session as above described. The motion was seconded by Mr. Cutler and adopted by the following vote:

AYES: Council Members Dowe, Harris, Wyatt, Bestpitch, Cutler and Mayor Smith -----6.

NAYS: None-----0.

(Council Member Carder was absent.)

SIGNS/BILLBOARDS/AWNINGS-LICENSES: A communication from the City Manager advising that pursuant to requirements of the Code of Virginia, 1950, as amended, the City of Roanoke is required to hold a public hearing on proposed encroachments into public right-of-way; whereupon, she requested that Council schedule a public hearing for Tuesday, February 18, 2003, at 7:00 p.m., or as soon thereafter as the matter may be heard, in connection with a request for encroachment into public right-of-way for installation of an awning at 1 West Campbell Avenue, was before the body.

Mr. Dowe moved that Council concur in the request of the City Manager. The motion was seconded by Mr. Cutler and adopted by the following vote:

AYES: Council Members Dowe, Harris, Wyatt, Bestpitch, Cutler and Mayor Smith -----6.

NAYS: None-----0.

(Council Member Carder was absent.)

OATHS OF OFFICE-COMMITTEES-INDUSTRIES: A communication from Lynn D. Avis, Chair, Industrial Development Authority of the City of Roanoke, advising of the resignation of Stark H. Jones as a Director of the Industrial Development Authority, was before Council.

Mr. Dowe moved that the communication be received and filed. The motion was seconded by Mr. Cutler and adopted by the following vote:

AYES: Council Members Dowe, Harris, Wyatt, Bestpitch, Cutler and Mayor Smith-----6.

NAYS: None-----0.

(Council Member Carder was absent.)

OATHS OF OFFICE-COMMITTEES-ROANOKE ARTS COMMISSION - ROANOKE NEIGHBORHOOD PARTNERSHIP: The following reports of qualification were before Council :

Nelett H. Lor as a member of the Roanoke Arts Commission, for a term ending June 30, 2005; and

Robin Murphy-Kelso as a member of the Roanoke Neighborhood Partnership Steering Committee, for a term ending November 30, 2005.

Mr. Dowe moved that the reports of qualification be received and filed. The motion was seconded by Mr. Cutler and adopted by the following vote:

AYES: Council Members Dowe, Harris, Wyatt, Bestpitch, Cutler and Mayor Smith -----6.

NAYS: None-----0.

(Council Member Carder was absent.)

REGULAR AGENDA

PUBLIC HEARINGS:

ZONING-INDUSTRIES: Council at its regular meeting on Tuesday, January 21, 2003, having continued a public hearing on the request of the Northwest Neighborhood Environmental Organization and Robert Crowder to rezone nine tracts of land located on the south side of the 500 block of Loudon Avenue, N. W., identified as Official Tax Nos. 2013101-2013109, inclusive, from RM-2, Residential Multi-family, Medium Density District, to RM-3, Residential Multi-family, High Density District, subject to certain conditions; and three tracts of land located on the north side of the 500 block of Centre Avenue, N. W., identified as Official Tax Nos. 2013117-2013119, inclusive, from LM Light Manufacturing District, to RM-3, Residential Multi-family, High Density District, subject to certain conditions, the matter was again before the body.

On Tuesday, January 21, 2003, concerns were raised by Quality Produce Company that its business might be impacted by the proposed apartments; whereupon, Shusheela Shende, spoke on behalf of the Northwest Neighborhood Development Corporation and advised that NNEO representatives have met with representatives of Quality Produce Company and NNEO proffers the following: (1) NNEO and Robert Crowder will work with Quality Produce Company to install landscaping at no cost to Quality Produce that will function as a sound buffer; (2) all buildings to be located on the north side of the 500 block of Centre Avenue, N. W., and will have all bedrooms located toward the rear of the buildings; (3) it is recognized that the warehouse operation of Quality Produce Company, 116 Centre Avenue, N. W., generates normal truck traffic and noise from daily operation of its business; (4) and the petitioners agree to inform any potential residents of the existence and operation of Quality Produce Company as a business at that location.

Mr. Harris requested that the above described additional proffers become an official attachment to the request for rezoning.

Mr. Harris offered the following ordinance, including the four above described proffers:

(#36225-020303) AN ORDINANCE to amend §36.1-3, Code of the City of Roanoke (1979), as amended, and Sheet No. 201, Sectional 1976 Zone Map, City of Roanoke, to rezone certain property within the City, subject to certain conditions proffered by the applicant; and dispensing with the second reading of this ordinance by title.

(For full text of Ordinance, see Ordinance Book No. 67, page 106.)

Mr. Harris moved the adoption of Ordinance No. 36225-020303. The motion was seconded by Mr. Dowe.

Michael Pace, Attorney, representing Quality Produce Company, advised that NNEO has worked with Quality Produce during the past week to develop the additional proffers which are in keeping with the request of his client and are satisfactory to Quality Produce Company. He additionally requested some assurance from the City of Roanoke that there will be no restrictions placed on the property of Quality Produce Company as a result of the proposed development by NNEO.

Council Member Bestpitch advised that it should be noted for the record that it is not the intent of Council, in acting on the request for rezoning by NNEO and Mr. Crowder, to impinge upon the right of Quality Produce Company and its activities in any way, inasmuch as Quality Produce Company provides a valuable service for the community. He further advised that the City can request that a communication be issued stating that the operation of Quality Produce Company has been reviewed by staff and as far as City staff can determine its operations are in conformance with zoning requirements and the City of Roanoke is not aware of any reason that any of there operations by Quality Produce Company should be cause for concern. Hearing no objection by Council Members, Mr. Bestpitch requested that City staff prepare the appropriate communication.

The Mayor declared the public hearing closed.

There being no further discussion by Council, Ordinance No. 36225-020303 was adopted by the following vote:

AYES: Council Members Dowe, Harris, Wyatt, Bestpitch, Cutler, and Mayor Smith-----6.

NAYS: None-----0.

(Council Member Carder was absent.)

STREETS AND ALLEYS: Council at its regular meeting on Tuesday, January 21, 2003, having continued a public hearing on the request of the Northwest Neighborhood Environmental Organization that all of the alley from 6th Street to 5th Street, N. W., in the block lying between Loudon Avenue and Centre Avenue, beginning at the east side of 6th Street, between lots bearing Official Tax Nos. 2013101 and 2013115, and extending east to its intersection with 5th Street, between lots bearing Official Tax Nos. 2013114 and 2013123, extending north, and on the west extending along the east border of the lot bearing Official Tax No. 2013109 and on the east extending along the west border of lots bearing Official Tax Nos. 2013114-2013110, extending north to its intersection with Loudon Avenue, be permanently vacated, discontinued and closed, the matter was again before the body.

Mr. Bestpitch offered the following ordinance:

(#36226-020303) AN ORDINANCE permanently vacating, discontinuing and closing certain public rights-of-way in the City of Roanoke, Virginia, as more particularly described hereinafter; and dispensing with the second reading of this ordinance by title.

(For full text of Ordinance, see Ordinance Book No. 67, page 108.)

Mr. Bestpitch moved the adoption of Ordinance No. 36226-020303. The motion was seconded by Mr. Harris.

The Mayor inquired if there were persons present who would like to be heard in connection with the matter. There being none, he declared the public hearing closed.

There being no questions/comments by Council Members, Ordinance No. 36226-020303 was adopted by the following vote:

AYES: Council Members Dowe, Harris, Wyatt, Bestpitch, Cutler and Mayor Smith-----6.

NAYS: None-----0.

(Council Member Carder was absent.)

PETITIONS AND COMMUNICATIONS:

ZONING-ANIMALS/INSECTS-COMMUNITY PLANNING: Norman D. Mason, President, Board of Directors, The Angels of Assisi, advised that the organization is a charity whose purpose is to provide low income pet owners with affordable veterinary services; and since its inception in August 2001, The Angels of Assisi surgical unit has performed over 9,000 spays or neuters for low income owners of pets and for local humane shelters in the Roanoke Valley. He stated that in August 2002, The Angels of Assisi opened a small full-service clinic providing outpatient medical services and surgeries to low income citizens of the Roanoke Valley, and although restricted in space and open initially for only three days a week, the clinic provided service to over 1,100 patients through January 2003.

Mr. Mason explained that The Angels of Assisi would like to expand its charitable services to the Roanoke community by acquiring a larger clinic facility; therefore, a contract was placed on property located at 415 Campbell Avenue, S. W., however, the location is zoned C-3 for which there does not exist an exemption for veterinary hospitals or clinics for consideration by the Board of Zoning Appeals. He stated that if the organization is permitted to purchase and improve the property, it can better serve the needs of Roanoke's citizens and, at the same time, enhance a portion of the "downtown" area which has been filled largely with vacant buildings and warehouses; and the location is also near the Roanoke City Police Department which would allow The Angels of Assisi to provide free service to the City's canine officers in the K-9 Corp.

Mr. Mason explained that the proposed facility will not house animals outside, and called attention to plans to significantly improve the entire appearance of the vacant building and the rear parking lot; however, the support of Council is needed to implement a change in the C-3 zoning district to allow for an exemption to be considered by the Board of Zoning Appeals.

Mr. Bestpitch moved that the request be referred to the City Planning Commission for study, report and recommendation to Council, in connection with a text amendment for a special exception to be added to the C-3 zoning classification. The motion was seconded by Mr. Cutler.

Ms. Wyatt advised that downtown Roanoke is not the appropriate location for a facility of this type; whereupon, she inquired if Mr. Mason had looked at other property that is properly zoned for this purpose. Mr. Mason responded in the affirmative, and called attention to higher costs in other areas of the City; however, he advised that the property in question is suitable for their needs because it is contiguous to those communities that are served most frequently by The Angels of Assisi. In addition, he stated that with minor modifications, there is more than ample

parking, and access from the rear of the building will be enhanced with appropriate modifications. He called attention to various needs of the organization and the property in question fits those needs.

The City Manager advised that she previously informed Mr. Mason that she could not recommend approval of the request inasmuch as the City is currently in the midst of a Zoning Ordinance update and it is wise to avoid piecemeal changes to the Zoning Ordinance unless there is a specific hardship. She stated that there is no indication that there is a demand in the downtown, C-3 zoning classification, for this type of service, and a text amendment would allow consideration of this particular special exception in every location in the downtown area which is included in the C-3 zoning classification. She advised that she informed Mr. Mason that she could not support the requested text amendment and it would be necessary for him to request that either City Council or the City Planning Commission initiate a zoning ordinance text amendment.

There being no further discussion, the motion was adopted.

REPORTS OF OFFICERS:

CITY MANAGER:

CITIZEN SURVEY BRIEFINGS: The City Manager introduced Susan Wilson Walton, representing Virginia Polytechnic -Institute and State University, to present results of a citizen survey performed by Virginia Tech Center for Survey Research.

(For full text, survey results on the file in the City Clerk's Office.)

During a discussion of survey results, Mr. Dowe requested more information in regard to those areas that have experienced a decrease in favor by ten per cent or more; and Ms. Wyatt requested information on the results of the break out questions pertaining to the Roanoke Civic Center.

The City Manager advised that the full report will be provided to the Council upon receipt.

Without objection by Council, the Mayor advised that the briefing would be received and filed.

ITEMS RECOMMENDED FOR ACTION:

BUDGET-CAPITAL IMPROVEMENTS PROGRAM: The City Manager submitted a communication advising that capital projects of all types have been approved by Council in the Capital Improvements Program; bond funds from the 1999 bond issue needs to be transferred to capital project accounts, along with a portion of the 2002 bond issue for implementation of construction projects; and the following transfers are recommended:

\$391,355.00 from Public Improvement Bonds Series 1999 – Storm Drains, Account No. 008-052-9709-9176, to the following new accounts to be established by the Director of Finance.

| | |
|--------------------|--|
| \$73,355.00 | Peters Creek Flood Mitigation Phase 4 |
| 114,000.00 | Trout Run Culvert Repairs |
| 204,000.00 | Barnhart Street Drainage Improvements |

\$9,169.00 from Public Improvement Bonds Series 1999 – Buildings, Account No. 008-052-9709-9183, to Account No. 008-530-9776, Public Works Service Center Upgrade Phase I.

\$809,080.00 from Public Improvement Bond Series 1999 – Bridges, Account No. 008-052-9709-9190, to the following accounts.

| | |
|----------------------|---|
| \$ 750,000.00 | First Street Pedestrian Bridge, Account No. 008-052-9574 |
| \$ 59,080.00 | Walnut Avenue Bridge over Railroad, Account No. 008-530-9511 |

\$698,613.00 from Public Improvement Bonds Series 1999 – Streets, Account No. 008-052-9709-9191, to the following new accounts to be established by the Director of Finance.

| | |
|----------------------|---|
| \$ 143,859.00 | Williamson Road Improvements |
| \$ 127,414.00 | Traffic Signals |
| \$ 410,000.00 | VDOT Highway Projects |
| \$ 17,340.00 | Roadway Safety Improvement Project, Account No. 008-052-9606 |

\$3,391,630.00 from Public Improvement Bonds Series 2002 – Curb & Gutter, Account No. 008-530-9711-9195, to the following new accounts.

| | |
|----------------------|-------------------------------------|
| \$ 891,630.00 | Curb, Gutter and Sidewalk #1 |
| \$ 500,000.00 | Curb, Gutter and Sidewalk #2 |
| \$ 500,000.00 | Curb, Gutter and Sidewalk #3 |
| \$ 500,000.00 | Curb, Gutter and Sidewalk #4 |
| \$ 500,000.00 | Curb, Gutter and Sidewalk #5 |
| \$ 500,000.00 | Curb, Gutter and Sidewalk #6 |

The City Manager recommended transfer of funds to existing project accounts and/or to new accounts to be established by the Director of Finance.

Mr. Dowe offered the following budget ordinance:

(#36227-020303) AN ORDINANCE to amend and reordain certain sections of the 2002-2003 Capital Projects Fund Appropriations, and dispensing with the second reading by title of this ordinance.

(For full text of Ordinance, see Ordinance Book No. 67, page 111 .)

Mr. Dowe moved the adoption of Ordinance No. 36227-020303. The motion was seconded by Mr. Cutler and adopted by the following vote:

AYES: Council Members Dowe, Wyatt, Bestpitch, Cutler, and Mayor Smith---5.

NAYS: None-----0.

(Council Member Carder was absent.) (Vice-Mayor Harris abstained from voting.)

INDUSTRIES: The City Manager submitted a communication advising that Elizabeth Arden, Inc., a tenant in a 250,000 square foot facility at the Roanoke Centre for Industry and Technology (RCIT), and Liberty Property Limited Partnership (Liberty), the property owner, wishes to expand at its present site; expansion will require a waiver from the present Restrictive Covenants at RCIT; covenants require a 75-foot setback for both the building and the parking lot, however, the size and layout of the site expansion requires that setback be 41 feet for the parking lot and 35 feet for the building; and if an application for vacation of a City of Roanoke right-of-way at the site is approved, the setback for the building will be in compliance.

It was further advised that the Restrictive Covenants state in paragraph 6 that the above requirement may be waived by the City of Roanoke, however, requirements of paragraph 13 must be met which provide as follows: “13.

Amendments. Except as herein provided, each of the foregoing Restrictive Covenants may as to all persons and property be waived, released, rescinded, modified, altered or amended by the City at the request of and with the consent of the owners or lessees from the City of property for terms of five (5) years or more of more than fifty percent (50%), in area, of the lots or sites within the Centre which have been sold by the City for development”.

It was noted that six tenants at RCIT have signed off on the waiver, representing over 50 per cent of tenants/owners by area of the park, which meets amendment requirements of the Restrictive Covenants; Elizabeth Arden employs 538 employees in Roanoke, and expansion will enable the company to continue to grow in employment and marks a significant investment in the Roanoke Centre for Industry and Technology.

The City Manager recommended that Council approve a waiver of the setback requirements as set forth above and that the City Manager be authorized to execute a Waiver of the Provision of the Deed of Restriction for expansion by Elizabeth Arden and to take such further action and to execute any other documents deemed necessary for expansion.

Mr. Dowe offered the following resolution:

(#36228-020303) A RESOLUTION to provide for certain waivers and consents by the City of certain restrictive covenants in connection with certain real property located at the Roanoke Centre for Industry and Technology (RCIT) and owned by Liberty Property Limited Partnership (Liberty) and occupied by Elizabeth Arden, Inc., authorizing the proper City officials to execute such waivers and consents on behalf of the City in connection with those restrictive covenants; and authorizing the proper City officials to execute any other documents to conclude the proposed expansion of the facility occupied by Elizabeth Arden, Inc., at RCIT.

(For full text of Resolution, see Resolution Book No. 67, page 113.)

Mr. Dowe moved the adoption of Resolution No. 36228-020303. The motion was seconded by Ms. Wyatt and adopted by the following vote:

AYES: Council Members Dowe, Harris, Wyatt, Bestpitch, Cutler, and Mayor Smith-----6.

NAYS: None-----0.

(Council Member Carder was absent.)

BUDGET-PUBLIC WORKS: The City Manager submitted a communication advising that in July 2002, the City advertised for a consultant to prepare a master plan for the Public Works Service Center (PWSC); the plan proposes a phased implementation of improvements at the PWSC to centralize functions and to improve efficiency of operations; and the following items, listed by division, are to be implemented as the first phase of improvements to the facility:

Transportation Division:

Salt Storage Building – new salt storage facility to include approximately half of the sheds required for storage of salt spreaders, snow plows, etc.

Landscape Maintenance Equipment Shop – modifications to existing warehouse as needed to perform maintenance and repair of equipment, which will allow activity to move from the Reserve Avenue site to the PWSC.

Fleet Maintenance Division:

Fleet Maintenance Doors – Installation of three overhead doors along the west wall of the Fleet Maintenance Shop, which will improve efficiency and productivity of the facility by allowing access to service bays from outside of the building.

Solid Waste Division:

Solid Waste Island – new concrete median strip with electrical receptacles to serve diesel engine block heaters of Solid Waste trucks. Existing median to be displaced by new Salt Storage Building.

It was further advised that funding, in the amount of \$1,000,000.00, is needed for the projects and is available from the following sources to be transferred to Public Works Service Center, Account No. 008-530-9776, which currently has a balance of \$378,662.00:

| | | |
|-------------------------------------|-------------------------------|--------------|
| Transfer to Capital Projects Fund | Account No. 001-250-9310-9508 | \$170,000.00 |
| Undesignated Fund Balance | Account No. 008-3349 | \$256,641.00 |
| Brandon Avenue Widening | Account No. 008-052-9604 | \$152,757.00 |
| Fleet Maintenance Retained Earnings | | \$41,940.00 |

The City Manager recommended that Council transfer the above referenced funds to the Public Works Service Center, Account No. 008-530-9776, to provide total funding of \$1,000,000.00.

Mr. Dowe offered the following budget ordinance:

(#36229-020303) AN ORDINANCE to amend and reordain certain sections of the 2002-2003 Capital Projects and Fleet Management Funds Appropriations, and dispensing with the second reading by title of this ordinance.

(For full text of Ordinance, see Ordinance Book No. 67, page 115.)

Mr. Dowe moved the adoption of Ordinance No. 36229-020303. The motion was seconded by Mr. Cutler and adopted by the following vote:

AYES: Council Members Dowe, Harris, Wyatt, Bestpitch, Cutler and Mayor Smith-----6.

NAYS: None-----0.

(Council Member Carder was absent.)

POLICE DEPARTMENT-BUDGET-GRANTS: The City Manager submitted a communication advising that the Virginia Department of Criminal Justice Services (DCJS) provides grant funding for programs and activities which increase apprehension, prosecution and adjudication of persons committing violent crimes against women; and the program, "Virginia Services, Training, Officers, Prosecution Violence Against Women" (VSTOP) has funded a Domestic Violence Unit within the Police Department since 1999.

It was further advised that on December 19, 2002, DCJS awarded \$32,403.00 to the City's Police Department to employ a full-time, non-sworn Domestic Violence Specialist, thereby allowing continuation of the Domestic Violence Unit in calendar year 2003; the required City in-kind match of \$23,127.00 will be met through salary paid to current Police Department personnel; and the required local cash match of \$3,136.00 will be met through State Asset Forfeiture Funds, Account No. 035-640-3302.

It was explained that the Domestic Violence Unit collects and interprets relevant domestic violence offense data which allows proactive case intervention and cultivation of cooperative working relationships with clients and service/adjudication agencies; and the program produces more equitable victim-offender criminal justice dispositions related to domestic violence offenses.

The City Manager recommended that Council accept the V-STOP grant and that the City Manager be authorized to execute the grant agreement and any related documents; appropriate State grant funds, in the amount of \$32,403.00, with a corresponding revenue estimate in accounts to be established by the Director of Finance in the Grant Fund; and transfer the local match of \$3,136.00 from State Asset Forfeiture Funds, Account No. 035-640-3302, to the same Grant Fund account.

Ms. Wyatt offered the following budget ordinance:

(#36230-020303) AN ORDINANCE to amend and reordain certain sections of the 2002-2003 Grant Fund Appropriations, and dispensing with the second reading by title of this ordinance.

(For full text of Ordinance, see Ordinance Book No. 67, page 116.)

Ms. Wyatt moved the adoption of Ordinance No. 36230-020303. The motion was seconded by Mr. Bestpitch and adopted by the following vote:

AYES: Council Members Dowe, Harris, Wyatt, Bestpitch, Cutler and Mayor Smith-----6.

NAYS: None-----0.

(Council Member Carder was absent.)

Mr. Dowe offered the following resolution:

(#36231-020303) A RESOLUTION accepting the Virginia Services, Training, Officers, Prosecution (VSTOP) Violence Against Women Grant offer made to the City by the Virginia Department of Criminal Justice Services and authorizing execution of any documentation on behalf of the City.

(For full text of Ordinance, see Ordinance Book No. 67, page 118.)

Mr. Dowe moved the adoption of Resolution No. 36231-020303. The motion was seconded by Mr. Cutler and adopted by the following vote:

AYES: Council Members Dowe, Harris, Wyatt, Bestpitch, Cutler and Mayor Smith-----6.

NAYS: None-----0.

(Council Member Carder was absent.)

TRAFFIC-BUDGET-TRANSPORTATION SAFETY: The City Manager submitted a communication advising that Council has been briefed on several ongoing transportation projects, the goal of which is calming traffic and making the City’s transportation corridors more pedestrian friendly; areas of improvement include, but may not be limited to, Memorial Avenue, Grandin Road, Williamson Road, Jamison Avenue and Bullitt Avenue; traffic calming initiatives are preliminary in nature, therefore, a firm cost estimate has not been established for each of the projects; and, funding in the amount of \$236,870.00 has been identified as available to support further development and implementation of the initiatives.

The City Manager recommended that Council transfer \$236,870.00 from the Valley View Boulevard Interchange, Account No. 008-052-9545, to a new account to be entitled, Traffic Calming Initiatives.

Based on discussion by Council at its 9:00 a.m. work session, the City Manager advised that she would withdraw the item from the agenda until Council has an opportunity to discuss specific traffic calming projects, since there was an earlier indication by Council that it was not in support of the various staff presentations regarding traffic calming.

Mr. Bestpitch offered the following budget ordinance:

(#36232) AN ORDINANCE to amend and reordain certain sections of the 2002-2003 Capital Projects Fund Appropriations, and dispensing with the second reading by title of this ordinance.

Mr. Bestpitch moved the adoption of Ordinance No. 36232 The motion was seconded by Mr. Cutler.

The City Manager pointed out that the ordinance, as drafted, requires five affirmative votes by the Council to pass.

Ms. Wyatt noted that the previous discussion by Council was not in opposition to the various traffic calming projects, but the need for more definitive information no how the money will be spent.

Mr. Bestpitch advised that there have been numerous briefings on the various aspects of traffic calming issues in different parts of the City. He expressed concern that Council is micro-managing, and expressed confidence in the professional staff of the City in the process of the Council briefings, and suggested that staff be permitted to proceed as requested by the City Manager. He stated that Council Members have had more than ample time to request additional information from the City Manager.

Mr. Bestpitch moved that the ordinance be amended to delete the phrase "dispensing with the second reading by title of this ordinance." The amendment to the motion was seconded by Mr. Cutler and adopted.

Mr. Bestpitch moved that the following ordinance be placed upon its first reading:

(#36232) AN ORDINANCE to amend and reordain certain sections of the 2002-2003 Capital Projects Fund Appropriations.

The motion was seconded by Mr. Cutler.

The Mayor expressed concern that transferring \$237,000.00 from the Valley View Boulevard Interchange account causes further delay for completion of Phase II of the Valley View Interchange project. He stated that funds requested by the City Manager are not designated for a specific traffic calming proposal; Council is not micro managing by requesting more definitive information on specific traffic calming plans and costs; and it is the responsibility of Council to raise questions and to vote on specific issues when they are presented by the City administration.

Mr. Dowe advised that Council Members appear to be in favor of implementing traffic calming measures in the various sections of the City; the Council has received briefings in regard to traffic calming, and inquired if the funds are intended to be used for specific traffic calming projects. He stated that further clarification by the City Manager would likely enable the item to be favorably considered by the Council.

The City Manager responded that four specific areas for traffic calming have been discussed with the Council; i.e.: Memorial Avenue, Grandin Road, Williamson Road and the Bullitt/Jamison corridor. She advised that conceptual drawings have been provided in each of the areas and staff has met with neighborhood groups to receive feedback on the various plans. She explained that the \$237,000.00 will fund detailed cost estimates and final design on the four traffic calming projects. She stated that she could not provide a precise breakdown on how the \$237,000.00 will be expended.

In view of the City Manager's explanation that the requested funds represent initial planning money and not implementation funds, Ms. Wyatt advised that she could support the request for funds. She stated that she was voting for planning money and not implementation of the studies, which she does not consider to be micro managing, but being a good steward of the taxpayers' money. She expressed concern regarding the Williamson Road area and while she favors traffic calming, it is an issue of balance; if severe traffic calming measures are enacted on arterial

roads into and out of the City, an even bigger problem will be created for the neighborhoods because motorists will begin to use circuitous routes around main arteries by going into the neighborhoods and creating traffic problems. She called attention to Grandview Avenue which is currently used as a cut through and if Williamson Road is limited to 25 miles per hour, substantial traffic will be diverted into the residential neighborhoods. She cautioned against creating traffic quagmires so great that motorists will not use certain sections of the City.

Mr. Cutler advised that the City Manager has proposed to use funds remaining in the Valley View Mall/I-581 overpass account and he was not opposed to using the funds for this purpose since it was earlier reported that the second phase of the Valley View Interchange project will not occur for another 10-15 years under the current VDOT plan.

The Mayor called attention to the paving of a section of Williamson Road which was promised last year and delayed by City staff. He stated that he was not aware that businesses and residents of the Williamson Road area have reached any consensus, a good plan was initially presented and the City agreed to provide paving which was later stalled, and the matter currently before the Council is another attempt to stall the request. He stated that in defense of the Williamson Road area and the Raleigh Court area, both of which are not satisfied with traffic calming plans as presented, he could not support the City Manager's request for funds.

Vice-Mayor Harris advised that the Mayor's remarks represent an erroneous report of the matter before the Council. He stated that funds are not recommended for appropriation so that a specific traffic calming plan can be implemented, but the City Manager is requesting that Council appropriate funds to enable City staff to place a price tag on the various elements and concepts of the four traffic calming projects so as to provide Council with the necessary information to determine whether specific traffic calming plans are to go forward to implementation.

There being no further discussion, Ordinance No. 36232, on its first reading, was adopted by the following vote:

AYES: Council Members Dowe, Harris , Wyatt, Bestpitch, and Cutler-----5.

NAYS: Mayor Smith-----1.

(Council Member Carder was absent.)

SEWERS AND STORM DRAINS-WATER RESOURCES-LEGISLATION: The City Manager submitted a communication advising that, mandated by Congress under the Clean Water Act, the National Pollutant Discharge Elimination System Storm Water Program is a comprehensive program for addressing urban sources of storm water pollution; the program uses the State's permitting authority to require implementation of storm water management controls; under the Act, the City of Roanoke is required to submit a Registration Statement outlining specific ways that the City proposes to comply with program requirements; and the Registration Statement must be submitted to the Virginia Department of Environmental Quality by March 10, 2003.

It was further advised that City staff has completed a Registration Statement outlining minimum measures for compliance by the City which include: City-wide public education and participation, identifying and removing non-storm water flows, pre and post construction site runoff controls and pollution prevention measures for municipal operations; and compliance efforts are estimated to cost between \$190,000.00 and \$225,000.00 per year, commencing in March 2003, with the initial permit period lasting five years.

The City Manager recommended that she be authorized to execute a Virginia Pollutant Discharge Elimination System (VPDES) General Permit Registration Statement for Storm Water Discharges from Small Municipal Separate Storm Sewer Systems [VAR040] on behalf of the City, with the Virginia Department of Environmental Quality; and that she be authorized to take such further action and to execute and provide further documents as may be necessary to comply with and implement the VPDES General Permit, including necessary contracts or agreements with third parties, to complete activities outlined in the VPDES General Permit.

Mr. Dowe offered the following resolution:

(#36233-020303) A RESOLUTION authorizing the City Manager to execute, for and on behalf of the City of Roanoke, a Virginia Pollutant Discharge Elimination System (VPDES) General Permit Registration Statement for storm water discharge from small municipal separate storm sewer systems with the Virginia Department of Environmental Quality, upon certain terms and conditions; and authorizing the City Manager to take such further action and to execute and provide such further documents as may be necessary to comply with or implement the provisions of that Registration Statement.

(For full text of Resolution, see Resolution Book No. 67, page 119.)

Mr. Dowe moved the adoption of Resolution No. 36233-020303. The motion was seconded by Mr. Cutler and adopted by the following vote:

AYES: Council Members Dowe, Harris, Wyatt, Bestpitch, Cutler and Mayor Smith-----6.

NAYS: None-----0.

(Council Member Carder was absent.)

Council Member Cutler commended the City's Environmental Administrator and other City staff on a well written document.

TRAFFIC-BUDGET-SIGNALS AND ALARMS: The City Manager submitted a communication advising that Council has been briefed on the need to make improvements to the City's traffic signal systems to reduce congestion and to improve the City's ability to effectively manage the existing public street infrastructure; and initial improvements will focus on the Orange Avenue corridor between Gainsboro Road and Gus Nicks Boulevard, which systems will support the daily demands of rush hour traffic, as well as occasional demands created by the Roanoke Civic Center and the future Stadium/Amphitheater facility.

The City Manager recommended that Council approve transfer of \$266,156.00 from Paving Program Account No. 001-530-4120-2010, and \$63,844.00 from Streets & Bridges, Capital Improvement Reserve Account No. 008-052-9575-9173, to a new account in the Capital Projects Fund to be entitled, Traffic Signal Systems.

Mr. Dowe offered the following budget ordinance:

(#36234-020303) AN ORDINANCE to amend and reordain certain sections of the 2002-2003 General and Capital Projects Fund Appropriations, and dispensing with the second reading by title of this ordinance.

(For full text of Ordinance, see Ordinance Book No. 67, page 120.)

Mr. Dowe moved the adoption of Ordinance No. 36234-020303. The motion was seconded by Mr. Harris and adopted by the following vote:

AYES: Council Members Dowe, Harris, Wyatt, Bestpitch, Cutler and Mayor Smith-----6.

NAYS: None-----0.

(Council Member Carder was absent.)

CITY ATTORNEY:

BUDGET-PARKS AND RECREATION-SCHOOLS: The City Attorney submitted a written report advising that on May 28, 1965, the National Park Service, pursuant to the Federal Property and Administrative Services Act of 1949 conveyed, by deed, 7.83 acres of land to the City (Tax Parcel #2340121), which conveyance included certain terms, conditions, covenants and restrictions that required the property to be used and maintained for public park or public recreational purposes.

It was further advised that on January 22, 2002, Council adopted Resolution No. 35728-012202 authorizing the Roanoke City School Board to use approximately 8.5 acres of land on the corner of 19th Street and Andrews Road for the new Roanoke Academy of Mathematics and Science; the measure contained a provision that the School Board receive the required approval from the United States Department of the Interior for a land exchange; on November 21, 2002, such approval was obtained and the approval, release and transfer of terms, conditions, covenants and restrictions from the above described property has been received; as a result of this action, the City proposes to remove the terms, conditions, covenants and restrictions enumerated in the 1965 conveyance from a 3.217 ± acre tract of land, lying within the boundary of Kennedy Park, to enable the School Board to use the property for educational purposes, and to transfer the same terms, conditions, covenants and restrictions to a 1.039± acre tract of land located at Riverland Road Addition (Roanoke River Greenway properties).

The City Attorney transmitted an ordinance authorizing the City Manager to sign a Release and Transfer of Terms, Conditions, Covenants and Restrictions transferring the terms, conditions, covenants and restrictions from the 3.217± acre tract of land lying within the boundary of Kennedy Park, to enable the School Board to use the property for educational purpose, namely the Roanoke Academy of

Mathematics and Science, and transferring the same terms, conditions, covenants and restrictions to a 1.039± acre tract of land located at Riverland Road Addition and Primrose Avenue.

Mr. Dowe offered the following ordinance:

(#36235-020303) AN ORDINANCE authorizing the City Manager to execute a Release and Transfer of Terms, Conditions, Covenants and Restrictions transferring the terms, conditions, covenants and restrictions from the 3.217± acre tract lying within the boundary of Kennedy Park, to enable the Roanoke City School Board to use the property for educational purposes, namely Roanoke Academy of Mathematics and Science; and dispensing with the second reading by title of this ordinance.

(For full text of Ordinance, see Ordinance Book No. 67, page 122.)

Mr. Dowe moved the adoption of Ordinance No. 36235-020303. The motion was seconded by Mr. Cutler and adopted by the following vote:

AYES: Council Members Dowe, Harris, Wyatt, Bestpitch, Cutler and Mayor Smith-----6.

NAYS: None-----0.

(Council Member Carder was absent.)

CITY CLERK:

SCHOOLS: The City Clerk submitted a written report advising that pursuant to Chapter 9, Education, Code of the City of Roanoke (1979), as amended, establishing a procedure for the election of School Trustees, the three-year terms of office of F. B. Webster Day, Marsha W. Ellison and Gloria P. Manns as Trustees of the Roanoke City School Board will expire on June 30, 2003; and Ms. Ellison is ineligible to serve another term inasmuch as she has served three consecutive three year terms of office.

It was further advised that pursuant to Section 9-16 of the Code of the City of Roanoke (1979), as amended, on or before February 15 of each year, Council shall announce its intention to elect Trustees of the Roanoke City School Board for terms commencing July 1 through (1) public announcement of such intention at two consecutive regular sessions of the Council and (2) advertisement of such intention in a newspaper of general circulation in the City twice a week for two consecutive weeks.

It was pointed out that Section 9-17 of the City Code provides that applications must be filed in the City Clerk's Office by March 10 of each year; application forms will be available in the City Clerk's Office and may be obtained between the hours of 8:00 a.m., and 5:00 p.m., Monday through Friday; and information describing the duties and responsibilities of School Trustees will also be available.

There being no questions and without objection by Council, the Mayor advised that the report of the City Clerk would be received and filed.

DIRECTOR OF FINANCE:

DIRECTOR OF FINANCE-AUDITS/FINANCIAL REPORTS: The Director of Finance submitted the Financial Report for the City of Roanoke for the month of December 2002.

There being no questions and without objection by Council, the Mayor advised that the Financial Report for December 2002 would be received and filed.

REPORTS OF COMMITTEES: NONE.

UNFINISHED BUSINESS: NONE.

INTRODUCTION AND CONSIDERATION OF ORDINANCES AND RESOLUTIONS:

Y.M.C.A.-LEASES-SCHOOLS: Ordinance No. 36223, authorizing and directing the proper City officials to enter into a lease extension between the City, the School Board of the City of Roanoke and the Young Men's Christian Association of Roanoke, Virginia, for use of the Jefferson High School gymnasium, upon certain terms and conditions, to provide for a six month extension commencing on January 19, 2003 and ending on July 18, 2003, having previously been before the Council for its first reading on Tuesday, January 21, 2003, read and adopted on its first reading and laid over, was again before the body, Mr. Harris offering the following for its second reading and final adoption:

(#36223-020303) AN ORDINANCE authorizing and directing the proper City officials to enter into a lease extension between the City, the School Board of the City of Roanoke and the Young Men's Christian Association of Roanoke, Virginia, for use of the Jefferson High School gymnasium, upon certain terms and conditions.

(For full text of Ordinance, see Ordinance Book No. 67, page 105)

Mr. Harris moved the adoption of Ordinance No. 36223-020303. The motion was seconded by Mr. Dowe and adopted by the following vote:

AYES: Council Members Dowe, Harris, Wyatt, Bestpitch, Cutler and Mayor Smith-----6.

NAYS: None-----0.

(Council Member Carder was absent.)

BUDGET-RISK MANAGEMENT FUND: The Director of Finance submitted a written report advising that the City is self-insured for certain types of claims and insurance deductibles; funds are included in the Risk Management budget to pay small claims and settlements; additional funds totaling \$100,000.00 are needed to pay claims for the remainder of the fiscal year; and funds are available in Risk Management Fund Retained Earnings.

The Director of Finance recommended that Council adopt a budget ordinance appropriating \$100,000.00 from Risk Management Fund Retained Earnings to be used for settlement of claims.

Mr. Harris offered the following budget ordinance:

(#36236-020303) AN ORDINANCE to amend and reordain certain sections of the 2002-2003 Risk Management Fund Appropriations, and dispensing with the second reading by title of this ordinance.

(For full text of Ordinance, see Ordinance Book No. 67, page 123.)

Mr. Harris moved the adoption of Ordinance No. 36236-020303. The motion was seconded by Mr. Dowe and adopted by the following vote:

AYES: Council Members Dowe, Harris, Wyatt, Bestpitch, Cutler and Mayor Smith-----6.

NAYS: None-----0.

(Council Member Carder was absent.)

MOTIONS AND MISCELLANEOUS BUSINESS:

INQUIRIES AND/OR COMMENTS BY THE MAYOR AND MEMBERS OF COUNCIL:

TREES: Council Member Cutler called attention to a Tree Virginia Workshop to be held on March 5, 2003, at Virginia Western Community College.

HEARING OF CITIZENS UPON PUBLIC MATTERS: The Mayor advised that Council sets this time as a priority for citizens to be heard. Matters requiring referral to the City Manager will be referred immediately for response, recommendation or report to Council.

COMPLAINTS-TAXES-WATER RESOURCES: Ms. Josephine Hudson, 1111 Loudon Avenue, N. W. , advised that on January 19, 2002, she received a notice of increase in her real estate assessment and another increase was received on January 1, 2003. She expressed concern that many persons are losing their homes, the job market is troubling, water rates in the City of Roanoke have been increased by 35 per cent, and actions by previous City Councils to shift funds from the Water Fund to the General Fund.

CITY MANAGER COMMENTS:

CITY GOVERNMENT: The City Manager advised of two new programs to be initiated by the City; i.e.: a "citizen university" which will afford citizens the opportunity to receive indepth exposure to various aspects of City government; and the City's version of a "welcome wagon", which is designed to provide new residents to the City of Roanoke with information that will acclimate them to life in the Roanoke Valley.

At 4:20 p.m., the Mayor declared the meeting in recess for two closed sessions.

At 4:35 p.m. the meeting reconvened in the Council Chamber with Mayor Smith presiding, and all Members of the Council in attendance, with the exception of Council Member Carder.

COUNCIL: With respect to the Closed Meeting just concluded Mr. Bestpitch moved that each Member of City Council certify to the best of his or her knowledge that: (1) only public business matters lawfully exempted from open meeting requirements under the Virginia Freedom of Information Act; and (2) only such public business matters as were identified in any motion by which any Closed Meeting was convened were heard, discussed or considered by City Council. The motion was seconded by Mr. Harris and adopted by the following vote:

AYES: Council Members Dowe, Harris, Wyatt, Bestpitch, Cutler and Mayor Smith-----6.

NAYS: None-----0.

(Council Member Carder was absent.)

At 4:40 p.m., the Mayor declared the meeting in recess to be immediately reconvened in Room 159 for a continuation of the 9:00 a.m. Council work session.

At 4:45 p.m., the meeting reconvened in Room 159, Noel C. Taylor Municipal Building, 215 Church Avenue, S. W., for a continuation of the 9:00 a.m., work session, with Mayor Smith presiding, and all Members of the Council in attendance, with the exception of Council Member Carder.

WILDLIFE TASK FORCE:

The Assistant City Manager for Community Development reviewed a communication from the City Manager under date of January 21, 2003, in connection with recommendations of the Wildlife Task Force:

1. Task Force Recommendation - Modify the current City Code, Sec. 21-040.2, to allow for the use of electric fences on residentially zoned properties as a means of discouraging deer from entering a yard.

Staff Response: Modifying the current City Code to allow for the use of electric fences will create a public safety threat. When incorporated into residential settings, electric fences pose a significant threat to children and/or to pets that may inadvertently come into contact with such fencing. Although signs may be posted to alert individuals about the presence of electric fences on a particular property, children, depending on their age, may not be able to read and/or comprehend the meaning of such warnings. Therefore, City staff cannot support this recommendation.

2. Taskforce Recommendation - Enact an ordinance making it unlawful to intentionally feed wild animals, such as deer.

Staff Response - It would be an unproductive use of staff time and resources to draft an ordinance that would be nearly impossible to enforce. Furthermore, elderly or home-bound citizens who place corn or similar materials in their yards for small animals should not be labeled as “criminals” for that action. Therefore, City staff cannot support this recommendation.

3. Taskforce Recommendation - Establish an education program to inform citizens of deer issues within the City and possible solutions for managing them.

Staff Response - Public education is an effective means of raising citizen awareness about the deer issues currently facing the City. Brochures can be created and distributed that inform citizens on actions they can take to assist in managing deer issues. Additionally, public meeting(s) can be held, using guest speakers, to further educate the community. City staff supports this recommendation and estimates that approximately \$1,500.00 would be expended for printing and distribution of educational materials.

4. Taskforce Recommendation - The City to allocate sufficient staff and resources to handle the deer and wildlife management programs.

Staff Response - Representatives from the following departments are currently involved with and working on issues identified by the Wildlife Taskforce: Police, Parks and Recreation, Planning, Building and Development, Housing and Neighborhood Services, Environmental and Emergency Management and the City Attorney. A further explanation of allocating resources (money) will be discussed in item #6.

5. Taskforce Recommendation - The Virginia Department of Game and Inland Fisheries (DGIF) should be contacted to provide the City assistance with its deer issues.

Staff Response - The DGIF previously has been contacted regarding the deer issue in Roanoke and several representatives have attended Wildlife Taskforce meetings to provide their knowledge and guidance to the group. Staff personnel have contacted Jay Jeffreys, Wildlife Biologist, DGIF, who has pledged his continued support to assist the City with management of its deer issues. While the DGIF is able to

provide the services of its personnel to aid the City with deer issues, due to the budget situation on personnel issues, it is not in a position to provide monetary assistance to the City at this time. However, the DGIF has indicated to staff that the State's revised deer management plan will be available in 2004, which could offer additional guidance for managing the City's deer issues.

6. Taskforce Recommendation - Culling the deer herd in a safe, efficient and humane manner. Two options for culling the deer herd were provided and include:

A. Obtain a depopulation permit (DPOP) and institute an Urban Archery Program - Apply to the DGIF for a DPOP permit and participate in the Urban Archery Program as a means of deer control.

B. Obtain an 'Official Deer Kill Permit' - Apply to the DGIF to be permitted to institute a sharpshooting program in the City as a means of deer control.

Staff Response - Application for inclusion in the Urban Archery Program should be made by May 1, 2003. The Wildlife Taskforce anticipated that the archery program would be staffed primarily by volunteer archery groups under the auspices of the Police Department.

To pursue obtaining a DPOP or 'Official Deer Kill Permit' through the DGIF, Sec. 21-80 of the City Code would have to be modified to permit the discharging of firearms, under special circumstances, within the limits of the City. Furthermore, the costs associated with instituting and managing the program are substantial. Contracting with a deer management firm could cost approximately \$3,000.00 for initial consultation and site assessments of proposed depopulation areas within the City. The actual removal effort is estimated at \$150.00 - \$200.00 per deer, depending on concentration.

The City Manager recommended that the City contract with a private company, or site consultant, White Buffalo, Inc., and submit a recommendation to Council on proposed actions to be taken and costs to be incurred.

The City Manager's recommendation was approved by consensus of the Council.

ZONING ORDINANCE UPDATE:

The Director of Planning and Code Development advised that a Zoning Ordinance update is a major implementation activity and follows up with adoption of the Comprehensive Plan, sets policy regarding land use decisions, helps to implement some of the missions of the Comprehensive Plan primarily dealing with the use of land; and the City's Zoning Ordinance was last updated in 1987. He stated that the process is divided into three phases; i.e.: Phase I - Reconnaissance - July-November, 2002; Phase II - Ordinance Draft and Public Comment - January - June 2003; and Phase III - Hearings and Adoption - July - September, 2003. He further advised that work to date on the Zoning Ordinance update involves hiring a consultant, establishment of eight focus groups, public meetings, steering committee meetings, a diagnosis report and a structural code outline. He stated that City staff is currently in Phase II of the process which includes the drafting process, internal staff review and steering committee review; under review is districts in which listed uses are allowed and permitted by right or by special exception, zoning district base regulations for each zoning district, permitted uses and dimensional regulations and supplemental regulations for each district. He indicated that the next steps include steering committee review and discussion on special purpose/overlay district, supplemental regulations for particular uses, landscaping, parking, signs, development standards, administration, procedures and development of a public review document; the zoning map will be reviewed based on establishment of districts and regulations in the draft ordinance and City-wide workshops in April - June, consideration of public feedback by the steering committee and redrafting as necessary by the consultant. He stated that Phase II, which excludes the hearings and adoption portion of the process, involves City Planning Commission and City Council public hearings in July - August 2003, with adoption of the Zoning Ordinance in September 2003.

At 5:00 p.m., the Mayor declared the meeting in recess until Tuesday, February 4, 2003, at 8:30 a.m., for the Roanoke City Council/Roanoke City School Board Retreat to be held at the Vinton War Memorial, 814 Washington Avenue, Vinton, Virginia.

The City Council meeting reconvened on Tuesday, February 4, 2003, at 8:30 a.m., at the Vinton War Memorial, 814 Washington Avenue, Vinton, Virginia, for a City Council/Roanoke City School Board Retreat.

CITY COUNCIL MEMBERS PRESENT: William D. Bestpitch, M. Rupert Cutler Alfred T. Dowe, Jr., (arrived late), Linda F. Wyatt and Mayor Ralph K. Smith-----5.

CITY COUNCIL MEMBERS ABSENT: Vice-Mayor C. Nelson Harris and Council Member William H. Carder-----2.

SCHOOL TRUSTEES PRESENT: F. B. Webster Day, Marsha W. Ellison, Melinda J. Payne, Ruth C. Willson, William H. Lindsey, Robert T. Sparrow and Chairperson Gloria P. Manns-----7.

SCHOOL TRUSTEES ABSENT: None-----0.

STAFF PRESENT: Darlene L. Burcham, City Manager; William M. Hackworth, City Attorney; Jesse A. Hall, Director of Finance; Mary F. Parker, City Clerk; E. Wayne Harris, Superintendent of Schools; and Cindy Lee, Clerk to the Roanoke City School Board.

The facilitator for the meeting was Lyle Sumek, Lyle Sumek Associates.

COUNCIL-SCHOOLS: Mr. Sumek reviewed the agenda for the day which would include a year-in review; 2002 performance report, including City/School achievements and the working relationship between the City and the Schools; partnership framework, including roles and responsibilities of the School Board and the Mayor/City Council; looking to the future (2003 and beyond); major challenges facing the City and the Schools and the City/Schools jointly; key issues for the City and the Schools and the City/Schools jointly; work agenda for 2003, including target for action, discussion with regard to expectation and action outline, and specific game plan; and actions for partners by the two bodies.

Based on recent interviews with Council and the School Board, Mr. Sumek advised that the 2003 agenda for both Council and the School Board is:

Funding: Short term, long term, needs, mandates, requirements versus revenues

Lobbying agenda: (December, then ongoing briefing) joint lobbyist

Joint marketing program

Transportation Services

Teacher salaries: keeping competitive

Teacher attraction and retention

School staff to reflect students: strategy

Stadium

Audits: Action Plan, oversight

Services: Youth At Risk - task force

School Board: Appointments

High School Project: Commitment, Debt service

Middle School - After School Program

New grants - Expand the program

Administration/teachers: succession plan and replacement

Health care costs: cost containment strategy

Sales tax (one-half-one cent) for education

“No Child Left Behind” program funding (Federal program)

“English for Students” Program: Funding

School Accreditation: Standards of Learning

School Nurses Program: Direction/funding

Workforce Development: City/School strategy (link to economic development)

Fleet facility: location, design, funding

Technology in Schools: upgrade

Guidance Program: direction, funding

Summer School salaries

Community Learning Center: funding

The Members of Council and School Trustees worked in two groups to brainstorm the following questions: What was achieved during the past year? What worked and what did not work?

From the standpoint of Council Members, the following items were identified:

Three/four year old pre school program

Roanoke Academy for Mathematics and Science groundbreaking. Additional funding by the City for community facility to be a part of this project

Plans for a new bus garage

Plans for new stadium/amphitheater

Continued meetings in schools/use of some facilities for community meetings, neighborhood planning, etc.

HOST program – City employees who are volunteers

Student Government Day and a number of other mock Council sessions with third/fourth graders who visit the Mayor's Office

Interns from CITY School who worked with various City departments

Greenways that are used by students for track team/field science projects

Certain fire stations have adopted schools to visit on a regular basis

City Attorney's Office participation in the "Barrister Book Buddies" program in the schools

Joint use agreement between Parks and Recreation and the School division

From the School Board's perspective, the following items were identified:

**Roanoke Academy of Mathematics and Science
groundbreaking**

Stadium progress

New transportation conceptual plan

Financial reporting awards for record keeping

Progress on the Standards of Learning

Drop out rate

Dedicated marketing positions

Preschool program

Audit presentation (Letter of Engagement)

Safe and orderly schools

Two time winner of the McGothlian award

REA (Roanoke Education Association) grants (reading)

NCLB (No Child Left Behind) Readiness

Maintained time line for high school upgrades

New Board Member appointments

Roanoke Valley School Boards Consortium

HOSTS/Community Partners (City of Roanoke mentors)

The School Board identified the following which have worked well:

Good relationship with Superintendent

City Manager/Superintendent of Schools have a good working relationship

“Buddy system” is working well, but needs improvement

Legislative package

At risk children

Audit Progress is working well

Funding formula

Recognition of additional funding (The School Board knows the amount of funds to be received in advance and is sometimes allocated more than the estimated amount).

The following items were identified by the School Board as needing improvement:

Ongoing two-way communication (buddy system)

Better coordination of City/School programs

Reassessment of the joint meeting format (Council/School Board)

At 9:40 a.m., Council Member Dowe entered the meeting.

From the Council’s perspective, the following were identified as working well:

“Buddy system” is better for some than for others

Improved acceptance of auditing process

Joint reports for legislative agenda both at School Board/City level, as well as the regional level (School Board Consortium, Regional Leadership Summit, Virginia First Cities Coalition, Virginia Municipal League)

There is a less confrontational relationship between Council and the School Board

Unresolved concern over responses to audit findings

Debt service funding - the City is continuing to add to the money that is being set aside to build the new high schools - the funding formula is working well

Facility charges (City using school facilities and Schools using City facilities)

Mr. Sumek reviewed the following items that were identified by the two bodies as their agenda for 2002:

Budget and Financial Strategy

Use of Facilities - (School/City; City/School)

Youth Recreation Programs and Services

School Access to Technology

School Involvement/Participation in Economic Development

School Facilities and Renovation

Teachers Salaries

Public Information Strategy

Audit

Victory Stadium

Mr. Sumek advised that the School Board's agenda for 2002 included the following:

Foster Better Communications by:

**Following Protocol - Mayor/School Board Chairman
Communicate with each other**

**Reassess joint meeting format
Will pair up with Council to improve/enhance
communication (buddy system)**

Mr. Sumek advised that at the 2002 retreat, the School Board indicated that it needs the following from Council in order to be successful:

**Adequate funding
Information
Joint effort to market Roanoke City Public Schools**

Reinstitute presentations to Council:

**Once per month by School Administration and City
Management presentations to School Board.**

Mr. Sumek advised that in 2002, issues identified for joint problem solving included:

**Athletic facilities (joint use of facilities)
Marketing of schools, communities
Budget
Communication**

He stated that also at the 2002 retreat, the following collective actions were agreed to by Council and the School Board:

**Establish procedures for joint problem solving using two
Board and two Council Members to address issues**

**By the end of January 2002, each Board Member will make
contact with their Council "buddy" at least twice.**

Mr. Sumek advised that at the 2002 retreat, the Mayor and Members of Council identified the following actions that the Council is willing to take:

Initiate better communications with the School Board

Communicate to citizens the negative impact of “tax cuts” on the City’s ability to provide services

Pledge to maintain funding level to schools (recommend prioritizing teacher salaries over facilities)

He noted that Council identified the need for the following from the School Board in order to be successful:

**Communication
Partnership
Long-term strategic plan**

He stated that in 2002, Council identified the following issues for joint problem solving:

**Local funding
Schools as community centers
Marketing
Coordination of services for “at risk kids”
Look for “leveraging opportunities”**

Mr. Sumek reviewed the roles and responsibilities of the School Board, as follows:

**Determine policy: School system
Establish goals/direction: vision of the school system
Be an advocate: schools/quality education
Work with Council:
 To share information
 To solve problems
 To address issues
Monitor/manage “school” resources
Listen to the community**

Educate the community on education - School issues and opportunities
Serve as a Board of Directors - education system

Mr. Sumek reviewed the roles and responsibilities of Council:

Establish vision and goals
Determine policy
Develop financial policies, manage financial resources
Establish guidelines and hold the School Board accountable
Work with School Board:
 To share information
 To solve problems
 To address issues
Be an advocate: City/Quality Education
Serve as a City corporate Board of Directors

Mr. Sumek reviewed, from the 2002 retreat, the following common themes among Council Members and School Trustees to provide the City of Roanoke with the “best” education:

Schools fully accredited, passing the Standards of Learning

Well qualified, top quality teachers

Meeting the educational needs of all children

Technology proficiency

Graduates prepared for life, ready for lifelong learning

Excellent facilities and equipment to support educational programs

Positive parental involvement

Schools integrated into the community infrastructure

Students achieving their potential

Recognition for educational excellence

Mr. Sumek reviewed Roanoke's Vision 2012, Principals to Guide the Future:

Recognized as the Capital of western Virginia: economic, government service, culture

Strong neighborhoods: quality City infrastructure, livable homes

Recognized for educational excellence: First rate schools, preschools to universities

City connectivity with universities and colleges

River front developed as an exciting, mixed-use focal point: to live, to work, to play

Protection of our natural beauty and resources

Reuse and redevelopment of and for better uses

Businesses and individuals investing in Roanoke, in downtown

Entertainment destination point: major events, sports and festivals

Young adults choose to live here: reputation as an exciting place to live

Ease in travel to and from Roanoke: air, rail, highway

Quality water supply: adequate, affordable costs meeting community needs

Strong community pride in Roanoke

Financially sustainable City government with cost-effective service delivery

Mr. Sumek reviewed Roanoke 2008 goals:

**Healthy Local Economy
Strong Neighborhoods
Vibrant Greater Downtown
Quality Services: Responsive, Cost Effective**

Mr. Sumek requested that the Council and the School Board meet in groups to brainstorm the following question: What are some of the issues facing the City/Schools over the next one to two years?

From the perspective of Council, the following items were reported in regard to challenges facing the City:

Career and technical education

Funds in order to maintain services

Fall out from State funding cuts

Standards of Learning

Storm Water Management

Decreases in the budget of the Constitutional Officers who have turned to the City to make up for State budget cuts, and the City ends up picking up the slack

How to pay for, build and maintain newly built infrastructure

Effective economic development program

A way to restructure the City's tax system

Work force training

Better linkage with Virginia Western Community College

Maintaining the existing high quality of life in the Roanoke Valley to attract new employers

Preparing the work force through the Higher Education Center, Virginia Western Community College, Workforce Program and the "One Stop Program"

Communicate opportunities for jobs for young people with vocational education

More communication is needed between mechanics, artisans, craftsmen

From the perspective of the School Board, the following items were reported with regard to challenges facing the schools:

Funding programs when grant monies are exhausted

Teacher salaries reaching national/average range once again

Pre-school programs to meet need

High school extended day

High school upgrades

Summer school teacher salaries

2004 diploma requirements

Dedicated tax for education

Full accreditation for all schools

Declining enrollment

Health insurance costs (package for employees)

Health services to students

School nurses

Providing services for special education students

Acting on audit funding due to financial constraints

Continuing to address audit findings

School Board appointments

Recruiting and maintaining quality staff at all levels

NCLB (No Child Left Behind) requirements

At 12:00 noon, the meeting was declared in recess for lunch.

At 1:00 p.m., the meeting reconvened at the Vinton War Memorial with all Members of the Council and the School Board present, with the exception of Council Member Carder and School Trustee Payne.

School Trustee Melinda Payne left the meeting.

Mr. Sumek divided participants into four groups to address issues that are common to both Council and to the School Board; i.e: stadium, joint marketing and branding program, partnering with business for workforce development, health care for students, facility use policy, fleet facility, and lobbying. Each group was instructed to develop an action plan for the issue assigned to their group.

The four groups reported as follows:

STADIUM:

Reaching a decision on track facility for the schools

Ensure that athletic directors continue to be involved as stakeholders with design/construction process

Keep the School Board informed of the progress (City construction put to bid in April 2003)

Address process of schedule: concessions, fees, operating issues

LOBBYING:

Ramp up City/School participation in the Virginia First Cities Coalition and appoint a City School representative to the subcommittee for education.

(Superintendent Harris has appointed Dick Kelley, Assistant Superintendent for Operations).

(In a discussion of the matter, Superintendent Harris advised that Mr. Kelly has served as the lobbyist for the school division since 1981 and has been successful in building a sound relationship with legislators which has proven to be invaluable to the school system and he prefers to maintain the relationship.)

Engage a single lobbyist to represent City/Schools interest on increased funding for education

Continued lobbying for Schools by Dick Kelley, Assistant Superintendent.

Continued monitoring by Virginia School Board Association and Virginia Municipal League.

Use School Board members and Mayor/Council Members, citizens as relationship-building lobbyists.

HIGH SCHOOL UPGRADES:

Recap where we have been and where we are now

Upgrade estimated cost (Patrick Henry High School - \$38 million and William Fleming High School - \$40 million)

Ensure that all options have been considered

May 2004 projected start for Patrick Henry

Determine how we pay for facilities (Patrick Henry and William Fleming High Schools)

(Superintendent Harris advised that the total budget for the projects is \$78 million (\$38 million for Patrick Henry and \$40 million for William Fleming); the Schools and the City have agreed to share equally in debt service requirements for the projects; the Schools have accumulated \$950,000.00 of the \$1.6 million debt reserve required for the Patrick Henry project; the remaining \$650,000.00 of the Schools' required debt reserve for the Patrick Henry project will be accumulated during fiscal year 2003-04 (\$350,000.00) and fiscal year 2004-05 (\$300,000.00); the Schools' debt service reserve required for the William Fleming project is \$1.8 million; the Schools' debt service requirements for the William Fleming project will be accumulated during the three fiscal years from fiscal year 2005-06 to fiscal year 2007-08 (\$600,000.00 per year).

HEALTH CARE FOR CHILDREN:

Identify efficiencies and bring together health providers

Examine current efficiencies for Roanoke City Health Department and School Nurses (define roles and responsibilities)

Better educate parents (responsibilities, programs and resources)

Evaluate City/School policy – occupational health/health science

FACILITY USE POLICY:

City using school facilities and Schools using City facilities

Reciprocity policy - need for recognition of mutual benefits of cooperation (attitude - try to help one another)

Pay direct costs, but eliminate fees on both sides (a “wash”) for the purpose of enhanced good will. (The City Manager suggested the appointment of a subcommittee composed of Council Members, School Board members and staff to address the matter; and Ms. Wyatt suggested that the Roanoke Civic Center Commission be represented on the subcommittee.)

PARTNER WITH BUSINESS FOR WORKFORCE DEVELOPMENT:

Why would the City and Schools want to partner with business?

**Leverage support from the private sector
Meet work force training needs of Roanoke
Area employees (leverage of curriculum)**

Cooperative education/jobs upon graduation

Identify methods to expose young students to career opportunities

Actions include:

Communicate purpose of business partnership (Business Round Table)

Economic Development Breakfast with CEO's/add School Board representative

Political support from business for education funding

Assess effectiveness of business partnership versus making appropriate mid-course corrections

**Regional Economic Development Partnership Study (K-12)
include Schools and Council**

Items listed for citizen involvement and participation in City and School system policies and decisions are:

Include school representative in “City University”

Business involvement training sessions

Increase parentental involvement in school/teacher meetings (fresh approach through free food, pot luck, provision of child care, bus transportation/buses to tour neighborhoods)

Communicate the importance of citizen involvement

Address problems, of intimidation (how to make parents feel welcome in the schools)

JOINT MARKETING/BRANDING:

Identify strengths/deficits

Repackage deficits as assets

Aggressively market Roanoke to realtors through a proactive plan

Aggressively market Roanoke to the business community

Coalition with the Chamber of Commerce

Informal meetings with business, through focus groups with a team of Council Members and School Board members

**Involve schools in City's branding process
(It was the consensus of the two bodies that this is a topic
that needs a subcommittee composed of Council and
School Board representatives.)**

REDUCED FUNDING STREAM FROM STATE:

**Lobby to have State pay its fair share for JLARC-School
construction**

**Local - identify revenue sources for high schools for debt
service**

HEALTH CARE FOR EMPLOYEES:

**Create a City/School committee to explore combined
health care programs to capitalize on cost containment
compatibility (Employees, administration/Council/School
Board.)**

**Explore creation of a regional consortium to pool
employee base and containment costs.**

**Mr. Sumek called attention to comments with regard to topics to be addressed
at future Council/School Board quarterly meetings, and noted that the above listed
items are appropriate topics for discussion by Council and the School Board.
However, he encouraged the two bodies to engage in dialogue rather than
presentations.**

**A statement was made by a School Trustee that the School Board often feels
as though it is on trial when it meets with Council in the quarterly meeting sessions;
whereupon, the City Manager advised that rather than meeting with Council at
5:00 p.m., when Council is short on time and preparing for its 7:00 p.m. session,
Council recently initiated a procedure to meet on the first Monday of each month at
9:00 a.m., for briefings, meetings with other groups, interviews, discussion of
agenda items on the 2:00 p.m. docket; etc.; therefore, meetings with the School
Board could be scheduled at 9:00 a.m. work session in lieu of the 5:00 p.m dinner
meeting getting. It was noted by a Member of Council that many times, the issue is
whether the meeting is taking place on the Council's "turf" or on the School Board's
"turf"; whereupon, it was suggested that two meetings be held at the 9:00 a.m.,**

Council work session and that two meetings be held at a location to be determined by the School Board. Seating was also discussed inasmuch as it appears that during joint meetings, Council Members sit together as a group and School Board Members sit together as a group. It was the consensus that for future work sessions, Council Members and School Board Trustees will sit with their “buddies”, and City/School staff will sit with their counter parts. It was also noted that timing of receipt of the printed agenda is problematic for the School Superintendent; whereupon, it was the consensus that the joint agenda will be distributed one week prior to the joint meeting. It was suggested that proposed agenda items will be discussed by Council at its work session on the first Monday of the month preceding the joint meeting.

Mr. Sumek suggested that quarterly meetings include dialogue with regard to the progress of the two subcommittees which are to be appointed to address branding and a facilities use policy, and that progress reports will become a routine part of the agenda.

There being no further business, the City Council meeting was adjourned at 4:10 p.m.

A P P R O V E D

ATTEST:

Mary F. Parker
City Clerk

Ralph K. Smith
Mayor

REGULAR WEEKLY SESSION-----ROANOKE CITY COUNCIL

February 18, 2003

2:00 p.m.

The Council of the City of Roanoke met in regular session on Tuesday, February 18, 2003, at 2:00 p.m., the regular meeting hour, in the City Council Chamber, fourth floor, Noel C. Taylor Municipal Building, 215 Church Avenue, S. W., City of Roanoke, Virginia, with Mayor Ralph K. Smith presiding, pursuant to Chapter 2, Administration, Article II, City Council, Section 2-15, Rules of Procedure, Rule 1, Regular Meetings, Code of the City of Roanoke (1979), as amended.

PRESENT: Council Members C. Nelson Harris, Linda F. Wyatt, William D. Bestpitch, William H. Carder, M. Rupert Cutler and Mayor Ralph K. Smith-----6.

ABSENT: Council Member Alfred T. Dowe, Jr.-----1.

OFFICERS PRESENT: Darlene L. Burcham, City Manager; William M. Hackworth, City Attorney; Jesse A. Hall, Director of Finance; and Mary F. Parker, City Clerk.

The meeting was opened with a prayer by The Reverend Horace D. Light, Pastor, Hollins Road Church of the Brethren.

The Pledge of Allegiance to the Flag of the United States of America was led by Mayor Smith.

PRESENTATIONS AND ACKNOWLEDGMENTS:

PROCLAMATIONS: The Mayor presented a proclamation declaring Tuesday, February 18, 2003, as former Congressman Jim Olin Day. He presented Mr. Olin with a Key to the City, and he presented Mrs. Olin with a crystal star.

BUDGET-MANAGEMENT AND BUDGET: The Mayor advised that the City of Roanoke's Department of Management and Budget has been honored by the Government Finance Officers Association with its Distinguished Budget

Presentation Award, which represents a significant achievement by the City of Roanoke. He stated that the award reflects the commitment of the governing body and staff to meeting the highest principles of governmental budgeting; in order to receive the budget award, the recipient must satisfy nationally recognized guidelines for effective budget presentation and these guidelines are designed to assess how well the recipient's budget serves as a policy document, a financial plan, an operations guide and a communications device.

The Mayor presented a Certificate of Recognition for Budget Preparation and a Distinguished Budget Presentation Award to the City Manager and to Barry Key, Director of Management and Budget, with the congratulations of the Council and the citizens of the City of Roanoke.

CONSENT AGENDA

The Mayor advised that all matters listed under the Consent Agenda were considered to be routine by the Members of Council and would be enacted by one motion in the form, or forms, listed on the Consent Agenda, and if discussion was desired, that item would be removed from the Consent Agenda and considered separately. The Mayor called attention to three requests for closed session.

MINUTES: Minutes of the regular meeting of City Council held on Monday, November 20, 2000, and the regular meeting held on Monday, January 6, 2003, were before the body.

Mr. Bestpitch moved that the reading of the minutes be dispensed with and that the minutes be approved as recorded. The motion was seconded by Mr. Cutler and adopted by the following vote:

AYES: Council Members Harris, Wyatt, Bestpitch, Carder, Cutler, and Mayor Smith-----6.

NAYS: None-----0.

(Council Member Dowe was absent.)

COMMITTEES-CITY COUNCIL: A communication from Mayor Ralph K. Smith requesting a Closed Meeting to discuss vacancies on certain authorities, boards, commissions and committees appointed by Council, pursuant to Section 2.2-3711 (A)(1), Code of Virginia (1950), as amended, was before the body.

Mr. Bestpitch moved that Council concur in the request of the Mayor to convene in a Closed Meeting to discuss vacancies on certain authorities, boards, commissions and committees appointed by Council, pursuant to Section 2.2-3711 (A)(1), Code of Virginia (1950), as amended. The motion was seconded by Mr. Cutler and adopted by the following vote:

AYES: Council Members Harris, Wyatt, Bestpitch, Carder, Cutler and Mayor Smith-----6.

NAYS: None-----0.

(Council Member Dowe was absent.)

EASEMENTS-LICENSES-SPECIAL PERMITS: A communication from the City Manager requesting that Council schedule a public hearing for Monday, March 17, 2003, at 7:00 p.m., or as soon thereafter as the matter may be heard, with regard to a proposed encroachment into public right-of-way at 3308 Franklin Road, S. W., was before the body.

Mr. Bestpitch moved that Council concur in the request of the City Manager to hold a public hearing on Monday, March 17, 2003, at 7:00 p.m., or as soon thereafter as the matter may be heard, with regard to a proposed encroachment into public right-of-way at 3308 Franklin Road, S. W. The motion was seconded by Mr. Cutler and adopted by the following vote:

AYES: Council Members Harris, Wyatt, Bestpitch, Carder, Cutler and Mayor Smith-----6.

NAYS: None-----0.

(Council Member Dowe was absent.)

AUDITS/FINANCIAL REPORTS-BUSES: Minutes of the meeting of the Greater Roanoke Transit Company Audit Committee held on Monday, February 3, 2003, were before the body.

Mr. Bestpitch moved that the minutes be received and filed. The motion was seconded by Mr. Cutler and adopted by the following vote:

AYES: Council Members Harris, Wyatt, Bestpitch, Carder, Cutler and Mayor Smith-----6.

NAYS: None-----0.

(Council Member Dowe was absent.)

AUDITS/FINANCIAL REPORTS-MUNICIPAL AUDITOR: Minutes of the meeting of the Audit Committee held on Monday, February 3, 2003, were before Council.

The following items were discussed:

City of Roanoke Letter of Recommendations on Procedures and Controls

City of Roanoke Report to the Audit Committee

City of Roanoke Pension Plan Letter to the Pension Committee

City of Roanoke Report of Agreed-Upon Procedures for Enhanced E-911 Service Taxes

City of Roanoke Independent Accountant's Report on Applying Agreed-Upon Procedures

Cellular Telephones

Mr. Bestpitch moved that the minutes of the Audit Committee be received and filed. The motion was seconded by Mr. Cutler and adopted by the following vote:

AYES: Council Members Harris, Wyatt, Bestpitch, Carder, Cutler and Mayor Smith-----6.

NAYS: None-----0.

(Council Member Dowe was absent.)

CITY ATTORNEY-CITY COUNCIL: A communication from the City Attorney requesting that Council convene in a Closed Meeting to discuss disposition of publicly-owned property, pursuant to Section 2.2-3711 (A)(3), Code of Virginia (1950), as amended, was before the body.

Mr. Bestpitch moved that Council concur in the request of the City Attorney to convene in a Closed Meeting to discuss disposition of publicly-owned property, pursuant to Section 2.2-3711 (A)(3), Code of Virginia (1950), as amended. The motion was seconded by Mr. Cutler and adopted by the following vote:

AYES: Council Members Harris, Wyatt, Bestpitch, Carder, Cutler and Mayor Smith-----6.

NAYS: None-----0.

(Council Member Dowe was absent.)

CITY ATTORNEY-CITY COUNCIL: A communication from the City Attorney requesting that Council convene in a Closed Meeting to consult with legal counsel on a specific legal matter requiring the provision of legal advice by such counsel, pursuant to Section 2.2-3711 (A)(7), Code of Virginia (1950), as amended, was before the body.

Mr. Bestpitch moved that Council concur in the request of the City Attorney to convene in a Closed Meeting to consult with legal counsel on a specific legal matter requiring the provision of legal advice by such counsel, pursuant to Section 2.2-3711 (A)(7), Code of Virginia (1950), as amended. The motion was seconded by Mr. Cutler and adopted by the following vote:

AYES: Council Members Harris, Wyatt, Bestpitch, Carder, Cutler and Mayor Smith-----6.

NAYS: None-----0.

(Council Member Dowe was absent.)

REGULAR AGENDA

PUBLIC HEARINGS: NONE.

PETITIONS AND COMMUNICATIONS:

LANDMARKS/HISTORIC PRESERVATION: Alison S. Blanton, President, Roanoke Valley Preservation Foundation, appeared before Council in support of preservation of the Fairacres property located at 2713 Avenham Avenue, S. W. She advised that the Roanoke Valley Preservation Foundation was founded in 1988 as a valley-wide, non-profit organization for the purpose of promoting the preservation

of the historic natural and cultural resources of the Roanoke Valley; and its goals are to promote an awareness of the Roanoke Valley's resources, encourage resource protection, provide technical assistance, and develop broad based community support. She explained that annually a list of endangered sites is developed to promote awareness and recognition of resources in the Roanoke region that are threatened; in addition to publicizing the list, the Preservation Foundation works with property owners to inform them of the various available preservation tools, and the Fairacres property was included on the 2002 endangered sites list. She stated that annually, the Preservation Foundation announces preservation awards as a part of National Preservation Week, in order to recognize those properties listed as endangered with preservation awards; and past examples of this type of success in Roanoke have included the Shenandoah Hotel, Norfolk and Western GOB North and South, the passenger rail station, the Jefferson Center, and Grandin Theater, all of which have contributed greatly to the successful development of Roanoke by encouraging economic development and tourism and contributing to the quality of life and sense of community that make Roanoke such an attractive place to live and work.

Ms. Blanton advised that Fairacres is a unique property in the City of Roanoke; the mansion, with its 2.5 landscaped acres, was built in 1912 by William C. Stephenson, a prominent businessman closely involved in the early development of Roanoke; despite conditions and circumstances of today, the property could never be replaced, and it is important because it tells some of the story of the history of Roanoke. She stated that Fairacres has currently been determined eligible for listing on the Virginia Landmarks and the National Register of Historic Places, and the goal of the Preservation Foundation is to preserve the integrity of the property, and to maintain its historic eligibility, because it is important to have national register properties in the Roanoke Valley; and the Preservation Foundation wishes to work with local governments, communities and property owners to preserve properties that are important to Roanoke's heritage by providing information that makes preservation a viable alternative. She stated that the organization looks forward to working with the Roanoke Council of Garden Clubs and any potential property owner to promote the preservation of Fairacres. She called attention to a number of preservation tools that have been provided to the Council of Garden Clubs and also to potential buyers, and the Preservation Foundation stands ready to act as a resource in the preservation of Fairacres.

On behalf of the Roanoke Valley Preservation Foundation, Ms. Blanton requested that Council recognize Fairacres as a significant property in the City of Roanoke which is worthy of preservation.

Ms. Barbara N. Duerk, 2607 Rosalind Avenue, S. W., immediate past President of Neighbors in South Roanoke, advised that the South Roanoke Neighborhood Plan was completed in 1988 and Neighbors in South Roanoke identified the following guidelines to help with future neighborhood development: community values, the unique neighborhood character and quality of life in the area should be maintained and protected, the historic and architectural history of the neighborhood are important features that should be acknowledged and protected, gateway entrances, new development and construction in the neighborhood should be compatible in design and scale with the existing residential and commercial community, the environmental character of the surrounding area and the neighborhood should be protected, enhanced and maintained through good land planning and design, and zoning should better reflect the existing use of land. She stated that the properties surrounding Fairacres are used as RS-1, Single Family Residential District; and the South Roanoke Plan specifically refers to the importance of historic and architectural resources, therefore, Fairacres should be protected.

Ms. Vickie Tomlinson, 25 Claybrook Court, Blue Ridge, Virginia, a new resident to the Roanoke Valley, called attention to the historic beauty of the Fairacres property. Having lived in the Annapolis, Maryland, and Miami, Florida, areas for many years, she referred to the benefits of historic preservation to the community. She alluded to the beauty of the Fairacres property, with its raised panel wainscoting in the dining area, open beam ceilings, the beautiful entryway and balustrades, and raised panel solid oak sliding pocket doors, all of which add to the beauty and craftsmanship that is a part of the American heritage. She commended the Council on its efforts to preserve the downtown area and asked that the historic integrity of Fairacres also be protected and preserved.

George Kegley, representing the Roanoke Valley Preservation Foundation, advised that the Preservation Foundation is not opposed to developing that portion of Fairacres on the Longview Avenue side, however, he proposed that the integrity of the building and the viewscape be protected on the Avenham Avenue side.

Mr. Cutler offered the following resolution:

“A resolution recognizing the architectural and historic significance of the Fairacres property.”

Mr. Cutler moved the adoption of the resolution. The motion was seconded by Mr. Bestpitch.

Mr. Bestpitch advised that he was contacted by the President of the Roanoke Council of Garden Clubs, Inc., which owns Fairacres and the surrounding property, who expressed a concern that the Council of Garden Clubs was unaware that the item was on the Council's agenda until shortly before the Council meeting. He called attention to a communication from Charles H. Osterhoudt, Attorney, representing the Roanoke Council of Garden Clubs, requesting that action on the matter be delayed in order for the Council of Garden Clubs to address the issue; whereupon, Mr. Bestpitch requested that action on the request of the Roanoke Valley Preservation Foundation be deferred until the next regular meeting of Council on Monday, March 3, 2003, at 2:00 p.m.

The Mayor advised that without objection by the Council, the matter will be tabled until the regular meeting of Council on Monday, March 3, 2003, at 2:00 p.m.

REPORTS OF OFFICERS:

CITY MANAGER:

BRIEFINGS: NONE.

ITEMS RECOMMENDED FOR ACTION:

CITY EMPLOYEES-AFFIRMATIVE ACTION: The City Manager submitted a communication advising that as one of the largest public employers in the Roanoke Valley, it is important for the City of Roanoke to encourage participation in all employment processes among the diverse population that it serves; with this goal in mind, the City is focusing on two diversity related initiatives; i.e.: increasing the diversity of its workforce, and developing the knowledge and skill base needed for success in a diverse work environment; and Roanoke's success in accomplishing these initiatives will make it a better organization and ultimately help the City to reach the strategic goals set by Council.

It was further advised that efforts at increasing workforce diversity are based on a broad and focused recruitment program; the City continues to forge relationships and to develop partnerships between City staff, EEO/civil rights organizations, colleges and universities, sororities, fraternities and other groups interested in diversity, and progress has been made in this area.

The City Manager stated that clearly, the City is making headway in the area of increasing diversity capacity, but it needs to take the next step, changing diversity capacity from a training or a career development program offered by Human

Resources into “diversity: the way that we do business;” in a practical sense, the City plans to change ownership of diversity from Human Resources to an internal Leadership Diversity Advisory Group, and taking this next step is the way to make diversity a part of the City’s organizational culture, which effort has already begun.

It was further stated that the City’s Leadership Team has embraced a new leadership philosophy that specifically incorporates the concept of diversity; the Leadership Team will also have responsibility for evaluating responses related to diversity on the employee survey conducted by Virginia Tech during the latter part of February; and using survey data as a starting point, the group will work to understand individual and departmental impediments related to diversity, and advise training staff, Human Resources and the City Manager concerning diversity programs and policies.

It was noted that in order to improve the City’s ability to recruit more women and people of color, particularly in public safety positions, the City will continue to refine its efforts to attract more women and minorities; and using ideas from an advertising company, coupled with strategies to recruit at different venues, the City intends to attract more women and people of color to City employment opportunities.

The City Manager advised that a sound diversity strategy has been devised and the City is headed in the right direction, particularly in the area of increasing diversity capacity; the City has not been as successful as hoped in regard to hiring more people of color, yet the City’s hiring slowdown and a general attitude of “hunkering down” among potential candidates exists in the hiring marketplace today; and the City must continue in every way possible to attract a diverse pool of candidates for City positions.

Mr. Ray Douglas, 3316 Kershaw Road, N. W., spoke on behalf of Brenda Hale, President of the Roanoke Chapter, NAACP, who could not be present for the meeting. He read a communication from Ms. Hale expressing appreciation to the City Manager for the positive initiatives that have led to making the Roanoke City workforce more diverse. He advised that the past three years, under the direct leadership of Roanoke’s City Manager, show that all City departments now employ persons of color. He also expressed appreciation to the Roanoke City Department of Human Resources, along with the Roanoke Chapter of the NAACP, which jointly sponsored the second annual job fair in May, 2002; and advised that recruitment efforts continue to be made at community colleges. On behalf of Ms. Hale, he called attention to other efforts by the Roanoke Chapter of the NAACP which include seeking partnerships with NAACP branches in other areas; and advised that it is

exciting that the Employment Development Program which was implemented in 2001 has provided City employees with the opportunity to advance within the organization; and the day long diversity program continues to be held and has received 100 per cent participation. He called attention to major concerns in regard to the inability to raise the number of minorities in public safety positions, with the Police and Fire Departments still grossly under represented. On behalf of Ms. Hale, he commended the City's ongoing initiatives that are bringing about positive changes and the continued level of commitment related to a higher level of diversity.

Ms. Barbara N. Duerk, 2607 Rosalind Avenue, S. W., applauded Council's directive to the City Manager to broaden the diversity found in Roanoke City departments. She asked that Council also make an effort to include diversity in its appointments to authorities, boards, commissions, and committees because Roanoke's economy is national and international and City boards and commissions should reflect wide based representation by Roanoke's citizens.

Ms. Wyatt expressed concern in regard to the role of women within the City government organization, particularly in the area of protective services. She called attention to the following percentages: Sheriff's Department – 22.2 per cent female, Police Department – 27 per cent female, and Fire Department – 5.74 per cent female, and noted that there is work that needs to be done in those areas.

Vice-Mayor Harris commended the City's progress in connection with providing a diverse workforce, and expressed appreciation to the Roanoke Chapter, NAACP, for its partnership and cooperation with the City of Roanoke.

Mr. Bestpitch advised that while he appreciates the work of the City Manager and the City administration, it is recognized that there are continued challenges to be addressed. He called attention to a process for nominating and receiving information on persons who are interested in serving on various City Council appointed boards and commissions which is administered by the City Clerk on behalf of the Council. He referred to numerous other localities that do not offer this opportunity for their citizens, and advised that the City of Roanoke has an open process of encouraging persons who are interested in volunteering their service to complete nomination forms that are reviewed by Council prior to filling vacancies.

Without objection by Council, the Mayor advised that the City Manager's communication would be received and filed.

FEE COMPENDIUM-OUTDOOR DINING: The City Manager submitted a communication advising that on April 1, 2002, Council adopted Ordinance No. 35792-040102 which provided for an outdoor dining permit program and amended the Fee

Compendium; fees per square foot of area approved for outdoor dining were as follows: \$6.50 per square foot for 2002; \$7.00 per square foot for 2003; and \$8.00 per square foot for 2004; concerns regarding the fee structure limited applicants' interest in applying for an outdoor dining permit and were addressed when Council reduced the fees to \$3.25 per square foot in Ordinance No. 35943-061702 adopted on June 17, 2002; and in an effort to again provide an incentive for restaurants to apply for outdoor dining permits, a reduction in fees for calendar year 2003 is recommended.

The City Manager recommended that Council amend the Fee Compendium to reduce the original fee of \$7.00 per square foot to \$3.25 per square foot for calendar year 2003, with a minimum three-month commitment from the applicant, and with the permit fee for calendar year 2004 to be reconsidered and established by Council at a later date as deemed appropriate.

Mr. Carder offered the following ordinance:

(#36237-021803) AN ORDINANCE directing amendment of the Fee Compendium to establish the fee for outdoor dining permits for calendar year 2003; and dispensing with the second reading by title of this ordinance.

(For full text of Ordinance, see Ordinance Book No. 67, page 125.)

Mr. Carder moved the adoption of Ordinance No. 36237-021803. The motion was seconded by Mr. Bestpitch.

Question was raised as to the response to outdoor dining during the first year of operation; whereupon, the City Manager advised that one restaurant experienced a successful year. She called attention to ongoing discussions with representatives of four additional restaurants who have expressed an interest in participating this year, although identification of a location to store outdoor dining equipment continues to be a problem.

Ordinance No. 36237-021803 was adopted by the following vote:

AYES: Council Members Harris, Wyatt, Bestpitch, Carder, Cutler and Mayor Smith-----6.

NAYS: None-----0.

(Council Member Dowe was absent.)

TRAFFIC-BUDGET-STATE HIGHWAYS: The City Manager submitted a communication advising that over the past two years, representatives from both the City of Roanoke and the Virginia Department of Transportation (VDOT) have met to evaluate how to best provide access to the planned Riverside Centre for Research and Technology (RCRT), which includes the Carilion Bio-Medical Institute; and Roanoke's proposed solution to providing this access was an off-ramp from southbound US 220 that intersected at Jefferson Street and Reserve Avenue, with a corresponding northbound on-ramp from that point to US 220.

It was further advised that in the summer of 2002, VDOT shared with the City of Roanoke its analysis of how these ramps would relate to the proposed I-73 interchange at I-581/US220; VDOT's analysis concluded that Roanoke's access plan could not be recommended for construction based upon problems with interchange spacing, cost, and phasing; consequently, VDOT developed other alternatives, such as a smaller more direct connection to US 220 from Franklin Road, which was recently shared with Council; and VDOT is also now evaluating the potential modification of the existing Wonju Street interchange to enhance access to RCRT.

It was explained that a Member of Council suggested that staff revisit issues involving the interchange at Elm Avenue and its connection with Williamson Road and Jefferson Street to serve as a primary access to RCRT; an evaluation of this interchange should include identification of the likely interchange design that will be needed in the long range future and consider potential interim modifications that might improve interchange operations to meet current needs of the area; and to this end, staff is preparing to issue requests for proposals from firms that could adequately review the issues and offer guidance.

The City Manager recommended that Council appropriate \$100,000.00 from the Streets & Bridges Capital Improvement Reserve, Account No. 008-052-9575-9181, to a new account to be entitled, Elm Avenue and I-581 Interchange Study.

Mr. Carder offered the following budget ordinance:

(#36238-021803) AN ORDINANCE to amend and reordain certain sections of the 2002-2003 Capital Projects Fund Appropriations, and dispensing with the second reading by title of this ordinance.

(For full text of Ordinance, see Ordinance Book No. 67, page 126.)

Mr. Carder moved the adoption of Ordinance No. 36238-021803. The motion was seconded by Mr. Harris.

Ms. Wyatt expressed concern with regard to the intersection of I-581 and Elm Avenue which is one of the most traffic congested intersections in the City of Roanoke, and encouraged the City Manager to include the intersection as a part of the proposed study.

Mr. Bestpitch requested clarification with regard to the routing of I-73 and advised that Council has taken a firm position expressing concern about the Commonwealth Transportation Board's decision to route I-73 through southeast Roanoke; whereupon, the City Manager advised that nothing is being proposed that will alter the position of Council relative to the routing of I-73. She explained that staff is attempting to bring to a head the issue of improvements to the Elm Avenue Interchange, which may be stalled forever unless the City takes the initiative, because it is believed that the traditional design that might come forth by VDOT for the interchange may not be in the best interest of the City. Therefore, she advised that additional design work is requested that the City can take to VDOT as a suggested alternative for development of the Elm Avenue Interchange. She stated that this will be the first step, and once the design is completed and approved by Council, it will be necessary to lobby VDOT to take action.

Mr. Cutler concurred in the remarks of Mr. Bestpitch in respect to not wanting it to appear that the City has changed its position of opposition to the routing I-73 through southeast Roanoke. He inquired if the request for proposals to review the Elm Avenue/I-581 Interchange will also relate to the access to the Riverside Bio Medical Centre. The City Manager responded that the City will continue to review alternatives for access to the Centre; when the Bio Med Centre was first envisioned, it was the desire of the Bio Med Institute and Carilion for certain improvements to the Elm Avenue Interchange, however, since that concept appears to be tied up indefinitely in the I-73 issue, there is a need to identify an alternative access point, and to this end the City has engaged in discussions with VDOT, the latest of which is the suggestion by VDOT that improvements to the Wonju exit would be preferable to a new ramp leading to the Bio Med site. She noted that one member of Council has suggested that Williamson Road might be improved as an access point and also allow for additional development of the area, all of which will be taken into consideration as staff reviews alternatives.

Mr. Carder called attention to previous discussions with certain principals of the Bio Medical Centre who initially hoped that Williamson Road/Elm Avenue could serve as the entrance to the Bio Medical Centre, and mainly because emphasis was on redevelopment of the Williamson Road/South Jefferson corridor. He cautioned that the City should be careful as to where it locates the entrance, because it then

becomes necessary to look at development patterns when traffic is routed off of Elm Avenue to another entrance. He stated that it is important to note that a large part of the Riverside Centre is the redevelopment of certain areas of the City and traffic helps to stimulate that type of redevelopment.

In a further discussion of the matter, the City Manager advised that City staff is not fully convinced that routing traffic off at the Wonju interchange is the best solution, particularly if Elm Avenue could be improved, which is the most logical location for improvements. She stated that while the focus of the study is on Elm Avenue and the ramps that cut up to and off of Elm Avenue, staff will look at traffic to be generated by the Riverside Centre and the VDOT option of the Wonju interchange, which is in principle and has not been financed. She added that it is believed that unless the City intervenes through a study of the Elm Avenue Interchange, the City will be left with a solution that will not address Elm Avenue at any time within the next decade, and staff believes that there is a solution for the Elm Avenue Interchange that could be developed and put in place before I-73 is constructed.

Ordinance No. 36238-021803 was adopted by the following vote:

AYES: Council Members Harris, Wyatt, Bestpitch, Carder, Cutler and Mayor Smith-----6.

NAYS: None-----0.

(Council Member Dowe was absent.)

BUDGET-SNOW REMOVAL: The City Manager submitted a communication advising that agencies responsible for snow removal operations are experiencing a heavier demand on snow removal resources than in previous years; the Virginia Department of Transportation (VDOT) recently announced that it had already spent \$42 of its \$48 million budgeted for snow removal at the end of January 2003; and VDOT is taking steps to redirect additional funds to support snow removal operations.

It was further advised that likewise, the City's budgeted amount of \$208,328.00 has been effectively depleted and salt supplies have been reduced as well; the City's 6,000 ton salt storage has been reduced to 1,000 tons (moderate storms can require up to 1,000 tons of salt); a shipment of an additional 900 tons of salt should be received later this week, but additional funding is needed to replenish the salt supply

and to fund other snow removal expenses; funding will allow additional salt to be ordered to create a salt stockpile capable of fighting two - three moderate storms and will establish sufficient funding to replenish supplies if the current trend of winter weather continues; and total funding for chemicals would allow for the purchase of up to 2,470 tons of salt based on a purchase price of \$60 per ton.

The City Manager recommended that Council transfer \$250,000.00 from Account Nos. 001-530-4110-1002 (\$85,000.00), 001-530-4160-1002 (\$50,000.00) and 001-300-9410-2199 (\$115,000.00), to Snow Removal Account No. 001-530-4140, as follows:

| | |
|-------------------------------------|--------------|
| 1003 Overtime Wages | \$ 59,818.00 |
| 1120 FICA | \$ 4,576.00 |
| 2010 Fees for Professional Services | \$ 14,500.00 |
| 2035 Expendable Equipment | \$ 15,000.00 |
| 2038 Motor Fuels & Lubricants | \$ 7,808.00 |
| 2045 Chemicals | \$148,298.00 |

Mr. Harris offered the following budget ordinance:

(#36239-021803) AN ORDINANCE to amend and reordain certain sections of the 2002-2003 General Fund Appropriations, and dispensing with the second reading by title of this ordinance.

(For full text of Ordinance, see Ordinance Book No. 67, page 127.)

Mr. Harris moved the adoption of Ordinance No. 36239-021803. The motion was seconded by Mr. Carder.

The City Manager commended City employees on snow/ice removal efforts, many of whom have worked since Saturday, February 15 at 3:00 p.m., on 12 hour shifts, in order to clear the City's streets as a result of the snow/ice event that occurred on Saturday and Sunday, February 15 - 16, 2003. She advised that all of the City's arterial routes and Valley Metro routes have been plowed and as of 11:30 a.m., this morning, 95 per cent of all of the school bus routes were plowed, although 40 per cent still contained a certain amount of snow and ice, and approximately 70 per cent of the residential streets still have a covering of snow and ice, even though 90 per cent of the streets have been plowed and treated. She stated that the City has in excess of 700 tons of salt remaining which can accommodate a moderate storm.

Ordinance No. 36239-021803 was adopted by the following vote:

**AYES: Council Members Harris, Wyatt, Bestpitch, Carder, Cutler
and Mayor Smith-----6.**

NAYS: None-----0.

(Council Member Dowe was absent.)

BUDGET-FDETC: The City Manager submitted a communication advising that the City of Roanoke is the grant recipient and fiscal agent for the Fifth District Employment and Training Consortium (FDETC), which encompasses the Counties of Alleghany, Botetourt, Craig, Franklin and Roanoke, as well as the Cities of Covington, Roanoke, and Salem; Council must appropriate funding for all grants and other monies received by the FDETC; the FDETC has received notice of an award of Governor's Discretionary 15 per cent funds of \$82,072.00 from the Virginia Department of Social Services, which funds are to be used to provide services to clients enrolled in the Welfare to Work Program; and funds are to be used for program costs only and are available through June 30, 2004.

It was further advised that Program Operations - Existing activities such as job placement assistance, support services (child care, transportation) and occupational skills training will continue, and planned programs such as continuing existing services and enrolling new clients will be implemented; residents of surrounding areas will be targeted with the funds; funds are available from the Grantor agency and other sources as indicated, at no additional cost to the City; and immediate action will allow activities to be implemented and completed within the planned time frames of January 1, 2003 through June 30, 2004.

The City Manager recommended that Council appropriate FDETC funding totaling \$82,072.00, and increase the revenue estimate by \$82,072.00 in accounts to be established in the Consortium Fund by the Director of Finance.

Mr. Bestpitch offered the following budget ordinance:

(#36240-021803) AN ORDINANCE to amend and reordain certain sections of the 2002-2003 Fifth District Employment and Training Consortium Fund Appropriations, and dispensing with the second reading by title of this ordinance.

(For full text of Ordinance, see Ordinance Book No. 67, page 128.)

Mr. Bestpitch moved the adoption of Ordinance No. 36240-021803. The motion was seconded by Mr. Harris and adopted by the following vote:

AYES: Council Members Harris, Wyatt, Bestpitch, Carder, Cutler and Mayor Smith-----6.

NAYS: None-----0.

(Council Member Dowe was absent.)

BUDGET-HOUSING/AUTHORITY-GRANTS: The City Manager submitted a communication advising that the plight of homeless individuals and families has been at the forefront of the community's attention for more than a decade, and the number of homeless persons relying on local services has increased; currently, the Homeless Assistance Team (HAT) provides outreach and limited case management services to the homeless; and the 2002 Winter survey conducted by the Roanoke Valley Task Force on Homelessness identified 327 homeless individuals residing in shelters, or on the streets of Roanoke.

It was further advised that based on Roanoke's 2002 Continuum of Care application, the Roanoke Homeless Assistance Team Renewal was funded for a total of \$413,006.00 for a three-year period beginning February 1, 2003.

The City Manager recommended the following:

Authorize the City Manager to accept the Roanoke Homeless Assistance Team Renewal Grant Award in the amount of \$413,006.00 from the U. S. Department of Housing and Urban Development and execute the required grant documents on behalf of the City.

Authorize the City Manager to execute documents associated with implementation of the grant renewal.

Appropriate \$413,006.00 Supportive Housing Funds, with a corresponding revenue estimate in an account to be established by the Director of Finance in the Grant Fund.

Mr. Carder offered the following budget ordinance:

(#36241-021803) AN ORDINANCE to amend and reordain certain sections of the 2002-2003 Grant Fund Appropriations, and dispensing with the second reading by title of this ordinance.

(For full text of Ordinance, see Ordinance Book No. 67, page 129.)

Mr. Carder moved the adoption of Ordinance No. 36241-021803. The motion was seconded by Mr. Harris and adopted by the following vote:

AYES: Council Members Harris, Wyatt, Bestpitch, Carder, Cutler and Mayor Smith-----6.

NAYS: None-----0.

(Council Member Dowe was absent.)

Mr. Harris offered the following resolution:

(#36242-021803) A RESOLUTION authorizing the acceptance of the Roanoke Homeless Assistance Team Renewal Grant Award from the United States Department of Housing and Urban Development to provide outreach and limited case management services to the homeless; and authorizing the execution of the necessary documents.

(For full text of Resolution, see Resolution Book No. 67, page 131.)

Mr. Harris moved the adoption of Resolution No. 36242-021803. The motion was seconded by Mr. Cutler and adopted by the following vote:

AYES: Council Members Harris, Wyatt, Bestpitch, Carder, Cutler and Mayor Smith-----6.

NAYS: None-----0.

(Council Member Dowe was absent.)

REPORTS OF COMMITTEES:

ANNUAL REPORTS-COMMUNITY PLANNING: A report of the City Planning Commission transmitting its 2002 Annual Report, was before Council.

The Mayor advised that without objection by Council, the report would be received and filed.

BUDGET-SCHOOLS: A communication from the Roanoke City School Board requesting appropriation of funds for the following school accounts, was before Council.

\$15,669.00 for the Refugee School Impact Grant to provide services for 146 refugee students in the Schools by supplementing regular classroom instructional materials, translating important school documents, providing interpreter services, providing after-school tutorial sessions, and providing additional staff development opportunities for ELL and core content teachers. This continuing grant program is 100 per cent reimbursed by Federal funds.

\$42,757.00 from the Capital Maintenance and Equipment Replacement Funds for replacement of musical instruments, administrative technology equipment, facility maintenance and custodial equipment, and handicap access modifications at William Fleming High School.

A report of the Director of Finance recommending that Council concur in the request of the School Board, was also before the body.

Mr. Carder offered the following budget ordinance:

(#36243-021803) AN ORDINANCE to amend and reordain certain sections of the 2002-2003 School Fund Appropriations, and dispensing with the second reading by title of this ordinance.

(For full text of Ordinance, see Ordinance Book No. 67, page 132.)

Mr. Carder moved the adoption of Ordinance No. 36243-021803. The motion was seconded by Mr. Harris and adopted by the following vote:

AYES: Council Members Harris, Wyatt, Bestpitch, Carder, Cutler and Mayor Smith-----6.

NAYS: None-----0.

(Council Member Dowe was absent.)

UNFINISHED BUSINESS:

BUDGET-BRIDGES-CMERP: The Mayor advised that at the Council's work session on Monday, February 3, 2003, it was the consensus of Council to place an item on the February 18, 2003, City Council agenda with regard to voting on the issue of pedestrian and/or vehicular access to the First Street Bridge; whereupon, the matter was before the body.

Mr. Carder moved that the First Street Bridge be completed as soon as possible for vehicular one-way traffic and a pedestrian bridge, and that the City Manager be directed to identify a source of funds, including possible use of Capital Maintenance and Equipment Replacement funds and Transportation Enhancement funds. The motion was seconded by Mr. Bestpitch.

Mr. E. Duane Howard, 508 Walnut Avenue, S. W., referred to previous architectural renderings calling for a pedestrian walkway for the First Street Bridge, at a cost estimate of \$800,000.00, and inquired if there is a problem with traffic coming into the downtown area. He stated that an expenditure of \$2.2 million was quoted by The Roanoke Times for bridge renovations, which is an expenditure that will be of concern to many citizens in view of the City's current budget situation. He advised that the greater question is, why does the City need to spend \$2.2 million on the bridge at this time, does the City have a traffic problem and, if not, is this action being taken to construct a \$2.2 million memorial to Dr. Martin Luther King, Jr. He stated that no funds should be spent on the First Street Bridge at this time, the bridge is a one of a kind left-over historic landmark, which represents a wonderful relic from Roanoke's past, the bridge is currently for pedestrian purposes and should continue to be used by pedestrians only.

Dr. Gerald Roller, 1135 Clearfield Road, S. W., addressed Council as a member of the Medical History Foundation, Inc., which is attempting to develop a medical history that would incorporate the history of the black medical community, beginning with the early or late 1800's and would include part of the area of Henry Street, including the Claytor Clinic and Burrell Hospital, etc. He explained that the goal of the organization is to complete its work by the 100th anniversary of the City of Roanoke, which is several years away and will include not only Roanoke's medical history, but also the developing osteopathic school at Virginia Tech and the public health service. He advised that the Henry Street Bridge ties the Henry Street area to downtown Roanoke, and it is not clear as to whether there needs to be another access for vehicular traffic to downtown; whereupon, he proposed that the matter be tabled pending further study and a status report by the Medical History Foundation, Inc.

The Reverend Edward Mitchell, 1570 16th Street, N. W., representing the Southern Christian Leadership Conference (SCLC), spoke in support of naming the First Street Bridge in memory of the late Dr. Martin Luther King, Jr. He stated that the SCLC supports one-way vehicular traffic on the First Street Bridge from Henry Street to downtown Roanoke, particularly when taking into consideration such venues as the Roanoke Higher Education Center and the Dumas Center for Artistic Development, etc.

Ms. Evelyn D. Bethel, 35 Patton Avenue, N. E., advised that those organizations involved in the Gainsboro Neighborhood Plan are of one accord in recommending that the First Street Bridge should remain a pedestrian bridge. From a personal perspective, she advised that vehicular traffic should not be allowed on the First Street Bridge; a large sum of money was spent by the City on the construction and realignment of Gainsboro Road and construction of the new Gainsboro Bridge, both of which were built at a detriment to the Gainsboro community; and currently there are adequate vehicular channels into the Gainsboro neighborhood; i.e.: Williamson Road, Fifth Street, and Gainsboro Bridge. She called attention to comments regarding the routing of traffic into downtown Roanoke; however, if the First Street Bridge brings vehicular traffic into downtown, it could also bring the same traffic into the Gainsboro neighborhood; therefore, residents are opposed to vehicular traffic in any direction on the First Street Bridge. She suggested that those funds proposed to be spent on the First Street Bridge could be more effectively used for improvements for housing throughout the City. She called attention to funds already expended by the City on the Gainsboro Bridge to provide for a loop into downtown which has proven to be an effective routing of vehicular traffic; therefore, there is no need for one-way traffic on the First Street Bridge. She implored the Council to be good stewards of the taxpayers' money, and to engage in those projects that will prove to the citizens of Roanoke that the City is interested in its citizens rather than vehicles.

Mr. Carder advised of the need to breathe life back into the Henry Street area. He stated that Wells Avenue improvements and Second Street Bridge improvements have created a huge cul-de-sac that is almost impossible to develop on its own, and by routing traffic through the area, there is an increased perception of a secure environment. He called attention to discussion with representatives of the Dumas Artistic Center, the Harrison Museum of African-American Culture, and the Roanoke Higher Education Center, all of whom understand the need to redevelop the area, privately and with incentives, and he emphasized the need to provide as much accessibility as possible to help with redevelopment of the area.

Ms. Wyatt advised that the vision was to have a railside linear walk that would link the City Market area to the Transportation Museum, with the linear walk providing a way to access pedestrians to the Henry Street area, which would serve as a kind of historical walking tour of the City, including a history museum, the Harrison Museum of African-American Culture and the Transportation Museum, and it will not be conducive to a walking tour environment if vehicular traffic is allowed. She stated that residents, neighborhood organizations and area neighborhoods in general were not consulted about their wishes for the Henry Street area. She added that an expenditure of \$2.2 million, as opposed to \$800,000.00, at a time when the City is sorely pressed for money is not good stewardship of the taxpayers' money.

Mr. Bestpitch advised that in looking at the number of dollars that could be spent, \$800,000.00 versus \$2.2 million, cost efficiency takes into consideration the amount of money spent relative to the number of people who will benefit by the expenditure. He stated that if the additional money is spent to allow one way vehicular access on the First Street Bridge, cost efficiency will be much greater because there will be a higher number of people driving rather than walking across the bridge. He added that he has heard no one describe how Warehouse Row, Grand Piano, the Dumas Center for Artistic Development, the Harrison Museum, the Roanoke Higher Education Center, or RNDC Crew Suites development will benefit by having the First Street Bridge pedestrian only, and, in fact, the case has been made that development is lagging in the area because the bridge is pedestrian only at this time. He called attention to ways to place more emphasis on people rather than on automobiles through the development of a shuttle service, and providing a loop to the downtown area that would allow people to park in one location and access public transportation in order to move from point to point around, in and out of the downtown area. He stated that one of the major benefits of making the vehicular access from the north side into downtown Roanoke across the First Street Bridge is to route a shuttle bus past the Gainsboro Parking Garage, which is one of the points that the City has available for this type of parking. For those reasons, he advised that he intends to support the motion which will help to improve development in the area without providing any major problems for those persons who prefer to walk.

Vice-Mayor Harris advised that there are compelling reasons on both sides for pedestrian only versus pedestrian/limited vehicular. He stated that his initial inclination was to vote for pedestrian only; however, since the last Council meeting, he was visited by representatives of the Dumas Center, the Harrison Museum, and the Higher Education Center who spoke to the benefits of limited vehicular access on the bridge by virtue of the desire to enhance mobility, accessibility, safety, security, etc., around the various facilities. He noted that the Council and the

community as a whole has made a significant investment in the viability of these enterprises that will have to live day in and day out with the decisions made by the Council. He stated that one way vehicular traffic leaves open the opportunity for the City to close the bridge to vehicular traffic at any time for festivals and special events, etc. He noted that the bridge was constructed in 1890 and the City Engineer reported at the last Council meeting that the bridge is not safe for any significant bearing of load, it is a historic structure and the visual integrity of the bridge will be protected as an architectural feature of the downtown. He advised that he was not in favor of tabling the matter for future discussion and/or study because the First Street Bridge represents a glaring piece of unfinished business in Roanoke's downtown area, and he intended to support the motion.

Mr. Cutler advised that for a long time he has believed that the Gainsboro area and the Henry Street area should be considered as a part of downtown Roanoke, and, in recent years, access across the railroad tracks from one side to the other has been reduced by the closure of Jefferson Street to vehicular traffic and the closure of the tunnel; therefore, access across the railroad tracks should be increased and improved. He stated that making the First Street Bridge both a one-way vehicular bridge and a pedestrian bridge would contribute to improved access to the rapidly developing Henry Street area. He further stated that he supports the motion to provide one lane of vehicular traffic and one lane of pedestrian traffic on the First Street Bridge, and an official greenway trail should be routed over the bridge as a part of the Lick Run Greenway, as should a shuttle bus route to bring commuters from the Gainsboro Parking Garage to the downtown area. He also stated that he would support the naming of the First Street Bridge and associated parking lands as a memorial to the late Dr. Martin Luther King, Jr., and it should be left to the discretion of the Roanoke Arts Commission to recommend how best to incorporate an architectural way, educational plaques, or a statuary to best accomplish this important goal.

The Mayor advised that when the First Street Bridge was closed to vehicular traffic, he was a daily user of the bridge, but he quickly adjusted to the new traffic pattern and discovered that it was just as easy to use Williamson Road or the Second Street Bridge in his travels around the City. He stated that the First Street Bridge is a narrow bridge that would be handicapped by vehicular traffic; it is the only bridge of any significance remaining in the City from the 19th century and to improve the bridge for pedestrian use only would not detract from the 1890's bridge architecture, and beams could be added to the under side which would allow the bridge to still resemble a 19th century bridge, while accommodating walking and festival traffic. He expressed concern that the bridge will lose its character of a 19th

century bridge if improvements are made to allow for a vehicular bridge; and the funds could be used on other City needs. For those reasons, he stated that he intends to vote against the motion.

There being no further discussion, the motion was adopted by the following vote:

AYES: Council Members Harris, Bestpitch, Carder and Cutler-----4.

NAYS: Council Member Wyatt and Mayor Smith-----2.

(Council Member Dowe was absent.)

INTRODUCTION AND CONSIDERATION OF ORDINANCES AND RESOLUTIONS:

TRAFFIC-BUDGET-TRANSPORTATION SAFETY: Ordinance No. 36232, on second reading, amending and reordaining certain sections of the 2002-03 Capital Projects Fund Appropriations, transferring \$236,870.00 in connection with traffic calming initiatives, having previously been before the Council for its first reading on Monday, February 3, 2003, read and adopted on its first reading and laid over, was again before the body, Mr. Harris offering the following for its second reading and final adoption:

(#36232-021803) AN ORDINANCE to amend and reordain certain sections of the 2002-2003 Capital Projects Fund Appropriations.

(For full text of Ordinance, see Ordinance Book No. 67, page 124.)

Mr. Harris moved the adoption of Ordinance No. 36232-021803. The motion was seconded by Mr. Cutler and adopted by the following vote:

AYES: Council Members Harris, Wyatt, Bestpitch, Carder, Cutler and Mayor Smith-----6.

NAYS: None-----0.

(Council Member Dowe was absent.)

MOTIONS AND MISCELLANEOUS BUSINESS:

INQUIRIES AND/OR COMMENTS BY THE MAYOR AND MEMBERS OF COUNCIL:

BRIDGES-ACTS OF ACKNOWLEDGEMENT: Mr. Carder moved that the newly renovated First Street Bridge be named in memory of the late Dr. Martin Luther King, Jr., and that the City work with the Southern Christian Leadership Conference (SCLC) with regard to design elements. The motion was seconded by Mr. Cutler.

It was the consensus of Council that since the matter was not listed on the printed agenda, citizens should have the opportunity to address the motion.

Ms. Helen E. Davis, 35 Patton Avenue, N. E., advised that naming the First Street Bridge in memory of Dr. King is an insult to the City, to the citizens of Roanoke, and represents the easy way out. She stated that the time is always right to do the right thing; the motion should be tabled until a later date when all Members of the Council are present and citizens should have been advised prior to the Council meeting that the matter was to be discussed. She advised that if the motion is adopted, Council will be ignoring the democratic process.

Ms. Barbara N. Duerk, 2607 Rosalind Avenue, S. W., Co-Chair of the Dr. Martin Luther King, Jr. Memorial Committee which was previously appointed by the City Manager, advised that the committee was not afforded the opportunity to formally present its report and recommendations to the Council. She stated that a portion of the committee's recommendations were a freedom walk and a justice square that should be incorporated into plans to connect Lick Run in an effort to break down barriers and to build bridges between the community. She encouraged Council to support the motion which is a small token that will further the effort to involve citizens in making Roanoke an inclusive community.

The Reverend Edward Mitchell, 1570 16th Street, N. W., advised that on numerous occasions, Council has been requested to honor Dr. King's memory, and each time the suggestion was either not good enough, or someone was not satisfied; therefore, he requested that the City of Roanoke act now to honor Dr. King. When looking at the First Street Bridge, he referred to a history of African-Americans who walked across the bridge to access stores in the downtown area and to reach water fountains that said "White" on one side and "Black" on the other side, but African-Americans walked across the First Street Bridge to address those issues until they were resolved. Therefore, he stated that there is no better place to name

in Dr. King's honor when talking about bridging the gap, which is what Dr. King stood for. He stated that the Southern Christian Leadership Conference (SCLC) is supportive of the motion which is a start to honor Dr. King in an appropriate way, because Henry Street is a part of the black community and a part of downtown Roanoke.

Mr. E. Duane Howard, 508 Walnut Avenue, S. W., advised that the reason the City of Roanoke does not have a memorial to Dr. King today is because the Dr. Martin Luther King, Jr. Memorial Committee recommended the naming of Elmwood Park in memory of Dr. King which was the most inappropriate recommendation that any committee could have made. He stated that he is not opposed to renaming the First Street Bridge in memory of Dr. King, which is an appropriate and reasonable way to honor this great Civil Rights leader, but the First Street Bridge alone is an issue within itself. He inquired if the City plans to spend over \$2 million to make the First Street Bridge a one-way vehicular bridge in order to put the King issue to rest; and, if that is the case, he suggested establishment of a \$1 million scholarship in Dr. King's name that will be used to benefit the education of impoverished children.

No other persons wishing to be heard and there being no further discussion by the Council, the motion was adopted.

CITY PROPERTY: Mr. Bestpitch advised that at its meeting on Tuesday, January 21, 2003, Council tabled an ordinance with regard to disposition of property located at the intersections of Gainsboro and Gilmer Road and Gainsboro and Harrison Avenue; whereupon, he moved that the ordinance be removed from the table. The motion was seconded by Mr. Carder and adopted.

Mr. Bestpitch further advised that in a closed meeting, he requested that Official Tax No. 2011718 contain a restriction that no grading will be permitted on the parcel of land which is a steep bank along the edge of Gainsboro Road; however, his request was not included in the original ordinance that was before the Council at its public hearing on Tuesday, January 21, 2003; whereupon, he offered the following revised ordinance:

(#36244-021803) AN ORDINANCE authorizing the City Manager to execute agreements, deeds and any related and necessary documents providing for the conveyance of City-owned property located at the intersections of Gainsboro and

Gilmer Road and at Gainsboro and Harrison Road, and being identified as Official Tax Nos. 2011718, 2021788 and 2021789, to adjacent and nearby property owners, upon certain terms and conditions, and dispensing with the second reading of this ordinance.

(For full text of ordinance, see Ordinance Book No. 67, page 134.)

Mr. Bestpitch moved the adoption of Ordinance No. 36244-021803. The motion was seconded Mr. Cutler and adopted by the following vote:

AYES: Council Members Harris, Wyatt, Bestpitch, Carder, Cutler and Mayor Smith-----6.

NAYS: None-----0.

(Council Member Dowe was absent.)

HEARING OF CITIZENS UPON PUBLIC MATTERS: The Mayor advised that Council sets this time as a priority for citizens to be heard, and matters requiring referral to the City Manager will be referred immediately for any necessary and appropriate response, recommendation or report to Council.

COMPLAINTS-ROANOKE CIVIC CENTER-LICENSES: Ms. Karen Graybill, 4617 Casper Drive, N. E., appeared before Council in connection with the City's expanded application to sell alcoholic beverages at any event at the Roanoke Civic Center. She stated that the Salem Civic Center has been issued a license to sell alcoholic beverages, but chooses not to sell alcohol at concerts. She added that it has been stated that the reason certain groups do not come to the Roanoke Civic Center is because alcohol is not permitted to be sold; however, she contended that they do not perform at the Roanoke Civic Center because of seating accommodations; it should be noted that the Roanoke Civic Center currently has sold-out events without selling alcohol; and as a parent, she does not want her children to be exposed to events where alcohol is sold. She advised that the Roanoke Civic Center is a smoke-free facility and if civic center patrons can attend an event where tobacco is prohibited, they should be able to attend an event where alcohol is not allowed.

Mr. Levi Dent, 119 Noble Avenue, N. E., Pastor, Another Chance Ministries, spoke on behalf of Concerned Christians from the Community, in connection with the City's expanded application for a license to sell alcohol and wine at Roanoke Civic Center events. He stated that he understands that the City wants to make

money and compete with other civic centers for concerts and events; however, he requested that it be taken into consideration that alcohol and wine promotes trouble, especially at rap concerts, since rap music promotes violence, degrades women, and degrades authority figures.

Mr. Juan Varr, 3106 Plantation Road, N. E., advised that approximately 230 persons representing 30 churches and 30 different faiths attended a meeting at the Hollins Road Baptist Church on February 10, 2003, to express their concerns with regard to the City's expanded application for a beer and wine license at the Roanoke Civic Center. As a result of the meeting, he stated that a large number of persons indicated a desire to attend the February 20th hearing by the Alcohol Beverage Control Board which is to be held in the Bankruptcy Court in the Poff Federal Building; the Bankruptcy Court will accommodate approximately 70 persons, therefore, a change of venue has been requested to accommodate the large number of persons who are expected to attend. He inquired if the City is prepared to proceed with its application before the ABC Board and encouraged dialogue with those persons in the community who are against issuance of the expanded license.

Mr. E. Duane Howard, 508 Walnut Avenue, S. W., referred to battles that are currently being waged within Roanoke's neighborhoods to stop the sale of alcohol, and referred to a hearing before the Alcohol Beverage Control Board that will also take place on February 20th in Richmond, Virginia, led by an Old Southwest Roanoke resident who is seeking to cause a neighborhood market to lose its ABC license for the alleged illegal sale of alcoholic beverages. He stated that the ABC Board should hold the City accountable to the same high standards as any other applicant and deny the City's expanded application to sell alcoholic beverages at Roanoke Civic Center events.

Mr. Al Bedrosian, 8346 Cardington Drive, N. W., addressed Council as a husband and the father of five children. He stated that he has listened to admirable discussion at the Council meeting today on legitimate issues such as not discriminating against people of color, helping the homeless, and the First Street Bridge, but the City stoops to an all time low when it seeks to expand the use of alcohol at the Roanoke Civic Center. He called attention to the following issues reported by the news media; i.e.: it is legal to apply for a license, the people of Roanoke demand to have alcohol, entertainers expect that alcohol will be sold on the premises, and there is a promise by the City that alcohol will not be sold at events where children are in attendance. In response to the above issues, he stated that not everything that is legal is good, there is no substantiated documentation that citizens of Roanoke and entertainers at the civic center expect alcohol to be sold on the premises, and alcohol is currently being sold at sporting events where children are present.

Elizabeth Doughty, President, Roanoke Regional Chamber of Commerce, representing the Executive Committee of the Chamber of Commerce, which is the largest business organization in the western half of the State, with 1,450 members, spoke to the issue of modifying the City's license at the Roanoke Civic Center to sell beer and wine at appropriate events. She advised that the Chamber of Commerce views the license as an issue of competitiveness and economic development. She stated that creating the option to sell beer and wine at a greater number of Civic Center events directed at adults will allow the Civic Center to become competitive in the marketplace and not only create a level playing field between the Salem and Roanoke Civic Centers, but level the playing field among the Roanoke Civic Center's peer venues such as those in Richmond, Washington, D. C., and Greensboro, North Carolina, which compete for the kind of premier events that make Roanoke proud and successful as a community, and by allowing the kinds of services and amenities that will allow the Roanoke Civic Center to meet market demands, leading to a greater chance of success which is a part of economic development benefits. She added that a Civic Center that is competitive in events and amenities will create wealth in the community by attracting people who spend money in Roanoke's hotels, restaurants, and business establishments. She stated that a Civic Center that does not meet market demand in terms of quality of events or experiences will not have the expected economic development benefit. She advised that a representative of the Chamber of Commerce talked with representatives of Civic Centers with which the Roanoke Civic Center competes, and all have the kind of ABC license that allows beer and wine to be sold at a variety of events, and all of these Civic Centers stressed that they use their best judgment to withhold such sales at inappropriate events, such as those directed at children and teenagers. She explained that there is not only precedent for this kind of action, but examples on which the Roanoke Civic Center can draw, and civic center staff will use not only their best judgment but the examples used by other civic centers to sell alcohol appropriately to the consumer.

Ms. Helen E. Davis, 35 Patton Avenue, N. E., spoke in support of the remarks made by previous speakers in opposition to the sale of alcohol at the Roanoke Civic Center. She advised that she lives close to the Civic Center and has been disturbed by loud and foul language and noise created by persons leaving civic center events. She added that this is another example of citizens having to read about the City's proposed actions in the newspaper; and Roanoke cannot be compared with any other city because it is unique and is a city within itself. She asked that Council listen to the citizens and do what is best for Roanoke, that there be dialogue between Council and its citizens; and the City's request to sell alcohol at Civic Center events is a bad decision that the City may regret.

G. Michael Pace, 10 Franklin Road, S. W., spoke from the perspective of an attorney whose business is located in the City of Roanoke, and his involvement in a number of civic and retail initiatives. He expressed support for the granting of an expanded ABC license at the Roanoke Civic Center. He stated that the purpose of the Roanoke Civic Center, as with any civic center or auditorium, is to attract and provide entertainment events on a consistent basis to as many residents and persons outside the region as possible; and in doing so, the civic center promotes economic development, and generates needed revenue for not only the City of Roanoke, but for the Roanoke Valley as a whole. He added that in order to maintain its competitiveness with other facilities in the state, which currently have an expanded ABC license to sell beer and wine at all appropriate events, the Roanoke Civic Center should have the same opportunity. He stated that concerns about control and safety can be adequately addressed by Roanoke Civic Center staff with appropriate policies and safeguards, and there is no reason to believe that the experience of the Roanoke Civic Center will be any different if it has an expanded license similar to those at other facilities with which it competes on a daily basis. On the issue of whether or not the Civic Center will compete with, or cause a disadvantage to establishments in downtown Roanoke in the sale of beer and wine, he advised that these businesses stand to gain by the attraction of more people to the downtown area, and will have the opportunity to serve meals or sell goods either before or after civic center events. He noted that the Roanoke Civic Center is a major contributor to economic development in the Roanoke Valley and the greater Roanoke region, and its reach is far and wide; the Roanoke Valley is the entertainment and cultural hub of the western part of Virginia; and entertainment events are an integral part to any strategy, not only to attract people to the area, but to retain those persons who already live in the Roanoke Valley. For the above reasons, he advised that he supports an expanded ABC license at the Roanoke Civic Center to allow the sale of beer and wine at all appropriate events.

Calvin Johnson, 3530 Windsor Road, S. W., Chairman of the Roanoke Civic Center Commission, advised that the Civic Center has supplied the Roanoke Valley and southwest Virginia with outstanding entertainment events. He stated that as Chairman of the Civic Center Commission, he has not personally received complaints about the sale of alcohol, or other misconduct at the Civic Center, although letters have been received from citizens expressing concern with regard to the request to expand the Civic Center's ABC license. He stated that Roanoke is a diverse community that serves many people and the various ethnic and religious groups are not discriminated against. He added that the Roanoke Civic Center is committed to bringing entertainment events and meetings to the community that will cause citizens to want to live in Roanoke, while encouraging others to visit the

community. Because of the diversity of those served at the Civic Center, he advised that there are those persons who wish to purchase alcoholic beverages, and guidelines are in place to address the issue.

Speaking as a long time member of the Roanoke Regional Chamber of Commerce, the Mayor advised that the view of the Executive Committee as expressed by Ms. Doughty is not the unanimous opinion of the members of the Chamber of Commerce. He expressed concern over broadening the scope of the ABC license at the Civic Center; whereupon, he invited a motion by the Council to instruct Roanoke Civic Center management to rescind its application for expanded usage of alcohol at the Civic Center.

Vice-Mayor Harris moved that Council instruct City staff to rescind its application for increased usage of alcoholic beverages at the Roanoke Civic Center. The motion was seconded by Ms. Wyatt.

Mr. Bestpitch inquired as to who determined the time and location of the ABC Board's hearing; whereupon, the City Manager responded that it was the responsibility of the ABC Board. He inquired if the City has the prerogative to schedule the hearing at a different location that would accommodate a larger number of persons who might be interested in attending; whereupon, the City Manager responded that the City of Roanoke does not have the authority to change the venue or the time of the hearing. She advised that the ABC Board is aware of the significant number of persons who have expressed an interest in the matter.

Mr. Bestpitch offered a substitute motion that Council request the ABC Board to consider relocating the hearing to a location that will accommodate a larger number of persons. The motion was seconded by Mr. Cutler.

Following discussion as to the status of the original motion, versus the substitute motion, the Mayor ruled that the substitute motion was out of order.

Mr. Bestpitch offered a motion to challenge the ruling of the Chair. The motion was seconded by Mr. Cutler and adopted by the following vote:

AYES: Council Members Wyatt, Bestpitch, Carder and Cutler-----4.

NAYS: Vice-Mayor Harris and Mayor Smith-----2.

(Council Member Dowe was absent.)

The substitute motion was then adopted by the following vote:

AYES: Council Members Wyatt, Bestpitch, Carder and Cutler-----4.

NAYS: Vice-Mayor Harris and Mayor Smith-----2.

(Council Member Dowe was absent.)

CITY MANAGER COMMENTS:

ACTS OF ACKNOWLEDGMENT-BRIDGES: The City Manager expressed appreciation to Council for its leadership in regard to previous action to provide that design of the First Street Bridge will be completed as soon as possible for vehicular one-way traffic and a pedestrian bridge; and for the naming of an appropriate site (the First Street Bridge) in memory of the late Dr. Martin Luther King, Jr., both of which are decisions that will bring the community closer together.

At 5:25 p.m., the Mayor declared the meeting in recess for three closed sessions.

At 6:20 p.m., the meeting reconvened in the Council Chamber, with Mayor Smith presiding and all Members of the Council in attendance, with the exception of Council Member Dowe.

COUNCIL: With respect to the Closed Meeting just concluded, Mr. Carder moved that each Member of City Council certify to the best of his or her knowledge that: (1) only public business matters lawfully exempted from open meeting requirements under the Virginia Freedom of Information Act; and (2) only such public business matters as were identified in any motion by which any Closed Meeting was convened were heard, discussed or considered by City Council. The motion was seconded by Mr. Harris and adopted by the following vote:

AYES: Council Members Harris, Wyatt, Bestpitch, Carder, Cutler and Mayor Smith-----6.

NAYS: None-----0.

(Council Member Dowe was absent.)

OATHS OF OFFICE-COMMITTEES-PERSONNEL DEPARTMENT: The Mayor advised that there is a vacancy on the Personnel and Employment Practices Commission, created by the death of Jeanette E. Hardin, for a term ending June 30, 2003; whereupon, he opened the floor for nominations to fill the vacancy.

Ms. Wyatt placed in nomination the name of Virginia Stuart.

There being no further nominations, Ms. Stuart was appointed as a member of the Personnel and Employment Practices Commission, for a term ending June 30, 2003, by the following vote:

FOR MS. STUART: Council Members Harris, Wyatt, Bestpitch, Carder, Cutler and Mayor Smith-----6.

(Council Member Dowe was absent.)

OATHS OF OFFICE-COMMITTEES-INDUSTRIES: The Mayor advised that there is a vacancy on the Industrial Development Authority due to the resignation of Stark H. Jones, for a term ending October 20, 2006; whereupon, he opened the floor for nominations to fill the vacancy.

Mr. Carder placed in nomination the name of Allen D. Williams.

There being no further nominations, Mr. Williams was appointed as a Director of the Industrial Development Authority for a term ending October 20, 2006, by the following vote:

FOR MR. WILLIAMS: Council Members Harris, Wyatt, Bestpitch, Carder, Cutler and Mayor Smith-----6.

(Council Member Dowe was absent.)

COMMITTEES-PARKS AND RECREATION: The Mayor advised that there are three vacancies on the Parks and Recreation Advisory Board; whereupon, he opened the floor for nominations.

Mr. Bestpitch placed in nomination the names of Mary F. Monk, Jim Hale and Carl H. Kopitzke.

There being no further nominations, Ms. Monk and Messrs. Hale and Kopitzke were appointed/reappointed as members of the Parks and Recreation Advisory Board, for terms ending March 31, 2006, by the following vote:

FOR MS. MONK AND MESSRS. HALE AND KOPITZKE: Council Members Harris, Wyatt, Bestpitch, Carder, Cutler and Mayor Smith-----6.

(Council Member Dowe was absent.)

COMMITTEES-LEAGUE OF OLDER AMERICANS: The Mayor advised that the one year term of office of Vickie F. Briggs as a City representative to the Advisory Committee - League of Older Americans, will expire on February 28, 2003; whereupon, he opened the floor for nominations to fill the vacancy.

Mr. Bestpitch placed in nomination the name of Vickie F. Briggs.

There being no further nominations, Ms. Briggs was reappointed as a member of the Advisory Committee - League of Older Americans, for a term ending February 28, 2004, by the following vote:

FOR MS. BRIGGS: Council Members Harris, Wyatt, Bestpitch, Carder, Cutler and Mayor Smith-----6.

(Council Member Dowe was absent.)

AIRPORT-OATHS OF OFFICE-COMMITTEES: The Mayor advised that the term of office of James M. Turner, Jr., as a member of the Roanoke Regional Airport Commission will expire on March 9, 2003; whereupon, he opened the floor for nominations to fill the vacancy.

Mr. Bestpitch placed in nomination the name of James M. Turner, Jr.

There being no further nominations, Mr. Turner was reappointed as a member of the Roanoke Regional Airport Commission, for a term ending March 9, 2007, by the following vote:

FOR MR. TURNER: Council Members Harris, Wyatt, Bestpitch, Carder, Cutler and Mayor Smith-----6.

(Council Member Dowe was absent.)

OATHS OF OFFICE-COMMITTEES-HOUSING/AUTHORITY: The Mayor advised that the terms of office of Sherman V. Burroughs, Raymond DeBose, Jr., and Tuan Reynolds as members of the Fair Housing Board will expire on March 31, 2003; and whereupon, he opened the floor for nominations to fill the vacancies.

Mr. Bestpitch placed in nomination the names of Sherman V. Burroughs, Raymond Debose, Jr., and Tuan Reynolds.

There being no further nominations, Messrs. Burroughs, Debose and Reynolds were reappointed as members of the Fair Housing Board, for terms ending March 31, 2006, by the following vote:

FOR MESSRS. BURROUGHS, DEBOSE AND REYNOLDS: Council Members Harris, Wyatt, Bestpitch, Carder, Cutler and Mayor Smith-----6.

(Council Member Dowe was absent.)

OATHS OF OFFICE-COMMITTEES-HOTEL ROANOKE CONFERENCE CENTER: The Mayor advised that the term of office of William White, Sr., as a member of the Hotel Roanoke Conference Center Commission will expire on April 8, 2003; whereupon, he opened the floor for nominations.

Mr. Bestpitch placed in nomination the name of William White, Sr.

There being no further nominations, Mr. White was reappointed as a member of the Hotel Roanoke Conference Center Commission for a term ending April 8, 2007, by the following vote:

FOR MR. WHITE: Council Members Harris, Wyatt, Bestpitch, Carder, Cutler and Mayor Smith-----6.

(Council Member Dowe was absent.)

OATHS OF OFFICE-COMMITTEES-CABLE TELEVISION: The Mayor advised that there is a vacancy on the Roanoke Valley Regional Cable Television Committee created by expiration of the term of office of Danny Frei; whereupon, he opened the floor for nominations.

Mr. Bestpitch placed in nomination the name of Delvis O. (Mac) McCadden.

There being no further nominations, Mr. McCadden was appointed as a member of the Roanoke Valley Regional Cable Television Committee, for a term ending June 30, 2005, by the following vote:

FOR MR. MCCADDEN: Council Members Harris, Wyatt, Bestpitch, Carder, Cutler and Mayor Smith-----6.

(Council Member Dowe was absent.)

At 6:25 p.m., the Mayor declared the meeting in recess to be reconvened at 7:00 p.m., in the City Council Chamber.

At 7:00 p.m., on Tuesday, February 18, 2003, the regular meeting of City Council reconvened in the Roanoke City Council Chamber, fourth floor, Noel C. Taylor Municipal Building, 215 Church Avenue, S. W., City of Roanoke, with the following Council Members in attendance, Mayor Smith presiding.

PRESENT: Council Members C. Nelson Harris, Linda F. Wyatt, William D. Bestpitch, William H. Carder, M. Rupert Cutler, Alfred T. Dowe, Jr., and Mayor Ralph K. Smith-----7.

ABSENT: None-----0.

OFFICERS PRESENT: Darlene L. Burcham, City Manager; William M. Hackworth, City Attorney; Jesse A. Hall, Director of Finance; and Mary F. Parker, City Clerk.

The reconvened meeting was opened with a prayer by Vice-Mayor Harris.

The Pledge of Allegiance to the Flag of the United States of America was led by Mayor Smith.

PUBLIC HEARINGS:

CITY CODE-ZONING: Pursuant to Resolution No. 25523 adopted by the Council on Monday, April 6, 1981, the City Clerk having advertised a public hearing for Tuesday, February 18, 2003, at 7:00 p.m., or as soon thereafter as the matter may be heard, on the request of the City of Roanoke, on a proposed amendment to the following sections of Chapter 36.1, Zoning, Code of the City of Roanoke (1979), as amended: Section 36.1-164, Permitted uses, and Section 36.1-185, Permitted uses,

to remove medical clinics as a permitted use in the CN, Neighborhood Commercial District, and the C-1, Office District; and amending and reordaining Section 36.1-165, Special exception uses, and Section 36.1-186, Special exception uses, to add medical clinics as a use permitted by special exception in the CN, Neighborhood Commercial District, and the C-1, Office District, the matter was before the body.

Legal advertisement of the public hearing was published in The Roanoke Times on Friday, February 7, 2003 and Friday, February 14, 2003.

A report of the City Planning Commission recommending approval of the proposed text amendments, advising that the amendments further the intent of Vision 2001-2020 to update the zoning ordinance to accommodate changes in land uses and to protect and improve the quality of life in the City's neighborhoods, was before Council.

Mr. Carder offered the following ordinance:

(#36245-021803) AN ORDINANCE amending and reordaining §36.1-164, Permitted uses, and §36.1-185, Permitted uses, of Division 3, Commercial District Regulations, of Article III, District Regulations, of Chapter 36.1, Zoning, of the Code of the City of Roanoke (1979), as amended, to remove medical clinics as a permitted use in the CN, Neighborhood Commercial District, and the C-1, Office District; and amending and reordaining §36.1-165, Special exemption uses, and §36.1-186, Special exception uses, of Division 3, Commercial District Regulations, of Article III, District Regulations, of Chapter 36.1, Zoning, of the Code of the City Roanoke (1979), as amended, to add medical clinics as a use permitted by special exception in the CN, Neighborhood Commercial District, and the C-1, Office District; and dispensing with the second reading by title of this ordinance.

(For full text of Ordinance, see Ordinance Book No. 67, page 135.)

Mr. Carder moved the adoption of Ordinance No. 36245-021803. The motion was seconded by Mr. Dowe.

The Mayor inquired if there were persons present who would like to be heard in connection with the matter.

There being none, he declared the public hearing closed.

Mr. Bestpitch requested a definition of the term "licensed professional medical practitioners". He advised that "licensed professional medical practitioners" has a specific and limited meaning that the individual has attended medical school, graduated and subsequently been licensed to practice the profession of medicine.

The City Attorney advised that according to research performed by his office and the Zoning Administrator, it has been determined that a broad term is used in the State Code to refer to a variety of medical practitioners or professions that are now registered by the State, other than that which is traditionally thought of as physicians.

Mr. Bestpitch advised that a medical practitioner is a person who has attended medical school, and any person who practices an associated health related profession may be helping people to heal, but they are not medical practitioners; therefore, he stated that he was unsure of what the proposed ordinance will accomplish. He stated that many of these types of clinics have only one medical director who is not always on the premises on a full time basis and because there is only one licensed professional medical practitioner, it can be said that the facility is not a medical clinic, but a medical office, and may continue to operate by right in those instances where the City is of the opinion that it should operate by special exception. He requested some form of verification that the Commonwealth of Virginia has changed its definition of the meaning to practice medicine, and cautioned attempts by the City to amend the City Code to state that "licensed professional medical practitioners" does not mean today what it meant several years ago. He advised that "licensed medical practitioners" has one clear, specific and limited meaning -- doctor.

There being no further discussion, Ordinance No. 36245-021803 was adopted by the following vote:

AYES: Council Members Harris, Wyatt, Carder, Cutler, Dowe and Mayor Smith-----6.

NAYS: Council Member Bestpitch-----1.

EASEMENTS-SPECIAL PERMITS: Pursuant to action of the Council, the City Clerk having advertised a public hearing for Tuesday, February 18, 2003, at 7:00 p.m., or as soon thereafter as the matter may be heard, with regard to a proposal of the City of Roanoke to allow encroachment of an awning extending at

least eight feet and eight inches above the sidewalk and approximately 30 inches into the public right-of-way at the corner of 1 West Campbell Avenue and Jefferson Street, S. W., the matter was before the body.

Legal advertisement of the public hearing was published in The Roanoke Times on Friday, February 7, 2003.

A report of the City Manager advising that Hong Ki Min, owner of 1 West Campbell Avenue, located at the corner of Campbell Avenue and Jefferson Street, has requested permission for a tenant (applicant) to install an awning that will create an encroachment into the public right-of-way of Jefferson Street, S. W.; the revocable encroachment will extend approximately 30 inches into the right-of-way of Jefferson Street, at a height above the sidewalk of 8'8"; the right-of-way of Jefferson Street at this location is approximately 61 feet in width; and liability insurance and indemnification of the City by the applicant shall be provided, subject to approval of the City's Risk Manager.

The City Manager recommended that Council adopt an ordinance, to be executed by the property owner and recorded in the Clerk's Office of the Circuit Court for the City of Roanoke, granting a revocable license to the property owner of 1 West Campbell Avenue, to allow installation of an awning that encroaches into the right-of-way of Jefferson Street, S. W.

Mr. Carder offered the following ordinance:

(#36246-021803) AN ORDINANCE granting a revocable license to permit the installation and encroachment of an awning extending at least eight feet eight inches (8'8") above the sidewalk and approximately thirty (30) inches into the public right-of-way at the corner of 1 West Campbell Avenue and Jefferson Street, S. W., and bearing Official Tax No. 1011127, upon certain terms and conditions; and dispensing with the second reading of this ordinance.

(For full text of Ordinance, see Ordinance Book No. 67, page 137.)

Mr. Carder moved the adoption of Ordinance No. 36246-021803. The motion was seconded by Mr. Cutler.

The Mayor inquired if there were persons present who would like to be heard in connection with the matter.

There being none, he declared the public hearing closed.

There being no questions/comments by Council Members, Ordinance No. 36246-021803 was adopted by the following vote:

AYES: Council Members Harris, Wyatt, Bestpitch, Carder, Cutler, Dowe and Mayor Smith-----7.

NAYS: None-----0.

CITY MARKET-LEASES: Pursuant to action of the Council, the City Clerk having advertised a public hearing for Tuesday, February 18, 2003, at 7:00 p.m., or as soon thereafter as the matter may be heard, with regard to a proposal of the City of Roanoke to award a contract for lease and management of the Historic City Market Building, the matter was before the body.

Legal advertisement of the public hearing was published in The Roanoke Times on Friday, February 7, 2003.

A report of the City Manager advising that in response to a Request For Proposals for Operational Management of the City Market Building, which was advertised on November 8, 2002, the City received four proposals for lease and management; a review team interviewed all four firms and after thoroughly reviewing each proposal and checking references, the review team selected Advantis Real Estate Services Company as its first choice to provide the requested services, due to the company's level of experience, specific experience with similar operations, commitment to cleanliness, extensive leasing and marketing capability and experience with tenant relations, was before Council.

The City Manager recommended that she be authorized to enter into a Lease and Management Agreement, to be approved as to form by the City Attorney, with Advantis Real Estate Services Company, for a term of one year with one, one year renewal option, at a management fee of \$24,000.00 for the initial term and \$25,200.00 for the renewal term, which funds were previously appropriated by Council.

Mr. Carder offered the following ordinance:

(#36247-021803) AN ORDINANCE authorizing the City Manager to enter into a lease and management agreement with Advantis Real Estate Services Company, for the lease and management of the City Market Building, upon certain terms and conditions; and dispensing with the second reading by title of this ordinance.

(For full text of Ordinance, see Ordinance Book No. 67, page 139.)

Mr. Carder moved the adoption of Ordinance No. 36247-021803. The motion was seconded by Mr. Cutler.

The Mayor inquired if there were persons present who would like to be heard in connection with the matter.

There being none, he declared the public hearing closed.

There being no questions/comments by the Members of Council, Ordinance No. 36247-021803 was adopted by the following vote:

AYES: Council Members Harris, Wyatt, Bestpitch, Carder, Cutler, Dowe and Mayor Smith-----7.

NAYS: None-----0.

HEARING OF CITIZENS UPON PUBLIC MATTERS: The Mayor advised that Council sets this time as a priority for citizens to be heard and matters requiring referral to the City Manager will be referred immediately for response, report and recommendation to Council.

MILITARY ACTION-COUNCIL: The Reverend Rusty Dinkins-Curling, 2817 Cumberland Street, N. W., presented a resolution proposed by an organization known as Alternatives to War, opposing unilateral preemptive military action against Iraq by the United States of America. He requested that Council adopt the measure opposing the United States threatened violation of the United Nations Charter by unilateral preemptive military action against Iraq and the precedent such action would establish, and that the President and the Congress be urged to work with and through the United Nations to obtain compliance by Iraq with United Nations Security Council resolutions and that war should not be undertaken unilaterally or preemptively by the United States.

Ms. Susie Fetter, 2923 Carolina Avenue, S. W., spoke in support of adoption of the above referenced resolution for reasons dealing primarily with the potential for humanitarian disaster, displacement of people, and the potential unintended consequences that may have global possibilities. She addressed economic concerns, and advised that the estimate of war is between \$100 and \$200 billion, in addition to the present defense budget, which means fewer resources for communities like the City of Roanoke.

Ms. Gene Edmunds, 2322 Rosalind Avenue, S. W., Chaplain, Roanoke City and Roanoke County Jails, advised that as a Christian minister, she is naturally opposed to war in general, and to this war in particular, for those reasons set forth in the resolution. She referred to the potential for loss of lives on all fronts as a result of the war, and called upon Council to provide the necessary leadership by adopting the proposed measure opposing the war on Iraq.

Ms. Willow Dees, 517 Allison Avenue, S. W., spoke in support of adoption of the resolution. She stated that she previously worked at a homeless shelter where she had daily contact with veterans, both of the Gulf War and of previous conflicts, who were dealing with mental health problems, physical health problems, addictions, homelessness, and poverty, and it was obvious that available services/resources locally were not sufficient to meet their needs. She stated that she was appalled that the United States government is considering creating more veterans and sending more service people into danger and into war when it is obvious that veterans of previous conflicts are not adequately cared for.

COMPLAINTS-ACTS OF ACKNOWLEDGMENT-ROANOKE CIVIC CENTER: Mr. Chris Craft, 1501 East Gate Avenue, N. E., spoke against the sale of alcoholic beverages at the Roanoke Civic Center.

In recognition of his retirement as a local business man and a community and state leader, Mr. Craft suggested that Council honor Roanoke's Delegate to the House of Representatives, A. Victor Thomas, for his many contributions.

COMPLAINTS: Mr. Robert Gravely, 3860 Hershberger Road, N. W., expressed concern with regard to the overall condition of the City of Roanoke.

At 8:30 p.m., the Mayor declared the meeting in recess until Thursday, February 27, 2003, at 10:00 a.m., at the Roanoke Regional Training Center, 1220 Kessler Mill Road, Salem, Virginia, for a Joint Meeting of the Roanoke City Council and the Roanoke County Board of Supervisors, to discuss a Regional Water and Sewer Authority.

CITY OF ROANOKE
OFFICE OF THE CITY MANAGER

Noel C. Taylor Municipal Building
215 Church Avenue, S.W., Room 364
Roanoke, Virginia 24011-1591

Telephone: (540) 853-2333

Fax: (540) 853-1138

CityWeb: www.roanokegov.com

April 7, 2003

Honorable Ralph K. Smith, Mayor
Honorable C. Nelson Harris, Vice Mayor
Honorable William D. Bestpitch, Council Member
Honorable William H. Carder, Council Member
Honorable M. Rupert Cutler, Council Member
Honorable Alfred T. Dowe, Jr., Council Member
Honorable Linda F. Wyatt, Council Member

Dear Mayor Smith and Members of City Council:

Subject: Vacation of Sewer Easement - Hidden Oak
Road, SW - Tax Nos. 5050220, 5050221, &
5050222

Pursuant to the requirements of the Virginia Code, the City of Roanoke is required to hold a public hearing on the proposed vacation of property rights. This is to request that a public hearing be advertised on the above matter for Council's regular meeting to be held on Monday, April 21, 2003. A full report will be included in the April 21, 2003, agenda material for your consideration.

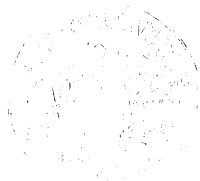
Respectfully submitted,



Darlene L. Burcham
City Manager

DLB/sef

c: Mary F. Parker, City Clerk
William M. Hackworth, City Attorney
Jesse A. Hall, Director of Finance
Sarah E. Fitton, Engineering Coordinator



CITY OF ROANOKE
OFFICE OF THE CITY MANAGER

Noel C. Taylor Municipal Building
215 Church Avenue, S.W., Room 364
Roanoke, Virginia 24011-1591
Telephone: (540) 853-2333
Fax: (540) 853-1138
CityWeb: www.roanokegov.com

April 7, 2003

Honorable Ralph K. Smith, Mayor
Honorable C. Nelson Harris, Vice Mayor
Honorable William D. Bestpitch, Council Member
Honorable William H. Carder, Council Member
Honorable M. Rupert Cutler, Council Member
Honorable Alfred T. Dowe, Jr., Council Member
Honorable Linda F. Wyatt, Council Member

Dear Mayor Smith and Members of City Council:

Subject: Setting of public hearing
 for Conveyance of
 Jefferson Gym to YMCA

Background:

The YMCA has expressed an interest in acquiring the property on which the Jefferson Gym is located. The YMCA is in need of a new facility to accommodate its expanding number of programs.

Considerations:

According to the draft Agreement, the City of Roanoke can transfer the title to the YMCA with certain conditions. If the YMCA obtains the Jefferson Gym, the YMCA will make available some of its resources, including various fitness and safety programs, to City youth. This exchange will support the recently developed Roanoke Youth Initiative Program.

Recommended Action:

Authorize a public hearing on April 21, 2003 for the authorization of executing an agreement for the transfer of the real estate described herein.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Darlene L. Burdham".

Darlene L. Burdham
City Manager

DLB:kaj

C:

Mary F. Parker, City Clerk
William M. Hackworth, City Attorney
Jesse A. Hall, Director of Finance
Steven C. Buschor, Director of Parks and Recreation
Rolanda B. Russell, Assistant City Manager for Community Development

#CM03-00053

Robert Humphreys
Roanoke Arts Commission
2405 Laburnum Ave. S.W.
Roanoke, VA 24015

March 18, 2003

Honorable Ralph K. Smith, Mayor
Honorable C. Nelson Harris, Vice-Mayor
Honorable William D. Bestpitch
Honorable William H. Carder
Honorable M. Rupert Cutler
Honorable Alfred T. Dowe, Jr.
Honorable Linda F. Wyatt

Mayor and Members of Council:

I write with many regrets to inform you that I must resign from my position as a member of the Roanoke Arts Commission. Because of recent events in my personal life and ever increasing responsibilities to my immediate and extended family I have had to accept the fact that I will be unable to fulfill my duties on the commission.

I informed the commission at the January meeting that I would have to depart and that I would stay just long enough to pass my projects on to the other members. This transition now having been completed it is time for me to officially resign.

I appreciate Council's appointment to the commission and apologize for the early departure. I leave a body of intelligent and insightful individuals who hold the best interests of the City of Roanoke within them. I must say that you are fortunate to have this group advising you and representing the city as a whole.

In parting I will make just one more plug for the arts, which this council has so generously supported. A reminder when you and our future councils consider the arts, that Roanoke is known elsewhere in the world by our largest piece of public art, our star.

Thank You,



Robert Humphreys
Roanoke Arts Commission

CC. Darlene Burcham, City Manager
Mary Parker, City Clerk
Roanoke Arts Commission Members
Judith St. Clair, Recording Secretary



CITY OF ROANOKE
OFFICE OF THE CITY MANAGER

Noel C. Taylor Municipal Building
215 Church Avenue, S.W., Room 364
Roanoke, Virginia 24011-1591
Telephone: (540) 853-2333
Fax: (540) 853-1138
CityWeb: www.roanokegov.com

April 7, 2003

The Honorable Mayor
and Members of City Council
Roanoke, Virginia

Dear Mayor and Members of Council:

I would like to sponsor a request from Habitat for Humanity in the Roanoke Valley, Inc. in which they will present a faux check representing property taxes, permit fees, and local sales taxes paid to the City by homeowners and the Habitat for Humanity Store at the regular meeting of City Council on Monday, April 7, 2003.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Darlene L. Burcham". The signature is fluid and cursive, with the first name "Darlene" being more prominent.

Darlene L. Burcham
City Manager

DLB:sm

c: City Attorney
Director of Finance
City Clerk



Building homes in partnership with God's people in need.

1701 Cleveland Avenue, S.W. • Roanoke, VA 24011-1536
(540) 344-0747 Fax: (540) 343-1492
www.habitat-roanoke.org

Board of Directors

David Camper
President

Geraldine Barber
Vice President

F. Wiley Hubbell
Treasurer

Terry Talbott Smith
Secretary

Mark Kidd
Sandy Light
Liz Wicks
Cindy Gray
Kathy Killian
Robert Field
Ron Cronise
Doris J. Rogers
William Sparrow
David McCray
Walton Rutherford
Tom Dalzell
Forrest Landon
Robert Turcotte
Mike Etienne
Linda Pharis

Karen L. Mason
Executive Director

Jean A. Darby
Program Director

Janice Fridley
Administrative Assistant

Mike Erdmann
Construction Manager

Steve Gross
Assistant Const. Manager

Chris Church
Store Manager

Bobby Meadows
Assistant Store Manager

March 17, 2003

Ms. Stephanie M. Moon
Deputy City Clerk
215 Church avenue SW, Room 456
Roanoke, VA 24011-1536

Dear Ms. Moon:

This is to confirm that Habitat for Humanity in the Roanoke Valley, Inc. will make a 10-minute presentation at the April 7 City Council meeting at 2 p.m. Mayor Smith suggested we contact you to ensure we are scheduled to present at the beginning of the session.

We plan to present City Council with a faux check representing property taxes, permit fees, and local sales taxes paid to the City by our homeowners and our Habitat Store. Additionally, David Camper, President of Habitat for Humanity in the Roanoke Valley, Inc., and Tom Dalzell, board member, will both be present to briefly discuss our new house designs. Habitat homeowner, Beverly Shumar, will make a few remarks regarding her success as a homeowner.

Please feel free to call me at 344-0747 if you have any questions or need additional information.

Sincerely,

Karen L. Mason
Executive Director

jkf



**CITY OF ROANOKE
OFFICE OF THE CITY MANAGER**

Noel C. Taylor Municipal Building
215 Church Avenue, S.W., Room 364
Roanoke, Virginia 24011-1591
Telephone: (540) 853-2333
Fax: (540) 853-1138
CityWeb: www.roanokegov.com

April 7, 2003

The Honorable Mayor
and Members of City Council
Roanoke, Virginia

Dear Mayor and Members of Council:

I would like to sponsor a request from Family Service of the Roanoke Valley, in which two teen leaders will present specifics of National Youth Services Day and issue a personal invitation to Council Members at the regular meeting of City Council on Monday, April 7, 2003.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Darlene L. Burcham". The signature is fluid and cursive, with a large, stylized initial "D".

Darlene L. Burcham
City Manager

DLB:sm

c: City Attorney
Director of Finance
City Clerk



FAMILY SERVICE OF ROANOKE VALLEY

360 Campbell Ave. SW, Roanoke, VA 24016 • Phone (540) 563-5316 • Fax (540) 563-5254
5 E. Court St., Ste. 201, Rocky Mount, VA 24151 • Phone (540) 483-4223 • Fax (540) 483-0233

20 March 2003

Mary Parker
Clerk, Roanoke City
Noel C. Taylor Municipal Bldg
215 Church St.
Roanoke, VA 24011

Dear Ms. Parker:

On behalf of the teen leaders of United with Youth, a division of Family Service of Roanoke Valley, I am writing to request permission to speak in front of City Council on April 7, 2003. We would welcome the opportunity for two teen leaders to briefly present the specifics of National Youth Service Day and to issue a personal invitation to council members.

If you have any questions or require more information, I can be reached at 563-5316 (4018). Thank you for your consideration.

Sincerely,

Laura Boutwell
United with Youth Coordinator





CITY OF ROANOKE
OFFICE OF THE CITY MANAGER

Noel C. Taylor Municipal Building
215 Church Avenue, S.W., Room 364
Roanoke, Virginia 24011-1591
Telephone: (540) 853-2333
Fax: (540) 853-1138
CityWeb: www.roanokegov.com

April 7, 2003

The Honorable Mayor
and Members of City Council
Roanoke, Virginia

Dear Mayor and Members of Council:

I would like to sponsor a request from Dr. E. Wayne Harris, Superintendent of Schools, in which he will make a presentation on the Career and Technical Education Program at the regular meeting of City Council on Monday, April 7, 2003.

Respectfully submitted,

A handwritten signature in cursive script, reading "Darlene L. Burcham".

Darlene L. Burcham
City Manager

DLB:sm

c: City Attorney
Director of Finance
City Clerk



Roanoke
City Public Schools

Office of the Superintendent • P.O. Box 13145, Roanoke, Virginia 24031 • 540-853-2381

March 20, 2003

Ms. Mary F. Parker, Clerk
City of Roanoke
215 Church Avenue, SW, Room 456
Roanoke, Virginia 24011

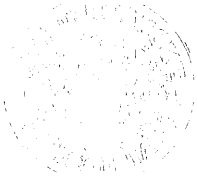
Dear Ms. Parker:

Roanoke City Public Schools is appreciative of the opportunities we have had in the past to present instructional programs at City Council meetings. The superintendent would like to present an update regarding the division's Career and Technical Education program at the afternoon session of the April 7, 2003, City Council meeting. Dr. Harris envisions the presentation to last 15 minutes.

Please call me at 853-1656 or e-mail me at smeadows@roanoke.k12.va.us if you have any questions or need additional information.

Sincerely,

Scott Meadows, Coordinator
Marketing and Community Engagement



CITY OF ROANOKE
OFFICE OF THE CITY MANAGER

Noel C. Taylor Municipal Building
215 Church Avenue, S.W., Room 364
Roanoke, Virginia 24011-1591
Telephone: (540) 853-2333
Fax: (540) 853-1138
CityWeb: www.roanokegov.com

April 7, 2003

The Honorable Mayor
and Members of City Council
Roanoke, Virginia

Dear Mayor and Members of Council:

I would like to sponsor a request from Jackie Schuck with the Roanoke Airport Commission, in which she will present their budget to Council Members at the regular meeting of City Council on Monday, April 7, 2003.

Respectfully submitted,

A handwritten signature in cursive script, reading "Darlene L. Burcham".

Darlene L. Burcham
City Manager

DLB:sm

c: City Attorney
Director of Finance
City Clerk

ROANOKE REGIONAL AIRPORT COMMISSION

5202 Aviation Drive
Roanoke, VA 24012-1148
(540) 362-1999
FAX (540) 563-4838
www.roanokeairport.com



March 12, 2003

Honorable Mayor and Members
Roanoke City Council
215 Church Avenue, SW
Roanoke, Virginia 24011

**Re: Roanoke Regional Airport Commission Fiscal Year 2003-
2004 Budget and Proposed Capital Expenditures**

Dear Mayor Smith and Members of Council:

In accordance with the requirements of the Roanoke Regional Airport Commission Contract dated January 28, 1987, as amended, the Roanoke Regional Airport Commission is hereby submitting its Fiscal Year 2003-2004 Operating Budget (Attachment I) for approval. This Budget was adopted by the Commission at its meeting on March 12, 2003. We are also providing a separate listing of Capital Expenditures which are expected to exceed \$100,000 in cost and are intended to benefit five or more future accounting periods (Attachment II).

You will note that no deficit is anticipated in either the Operating Budget or for the listed Capital Expenditures; therefore, no additional appropriations are being requested or anticipated from the City or the County of Roanoke. Formal approval of the Operating Budget and the Capital Expenditure List by resolution of each of the participating political subdivisions would be appreciated.

I would be pleased to respond to any questions or comments that you may have with regard to this matter. On behalf of the Commission, thank you very much for your assistance and cooperation.

Very truly yours,

Jacqueline L. Shuck
Executive Director

Enclosures

cc: Chairman and Members, Roanoke Regional Airport Commission
Mark Allan Williams, General Counsel, Roanoke Regional Airport Commission
William Hackworth, Roanoke City Attorney
Mary F. Parker, Clerk, Roanoke City Council

| ROANOKE REGIONAL AIRPORT COMMISSION FOR YEAR 2003-2004 BUDGET | | |
|--|--|----------------------------------|
| Mary\MyFiles\Budget\Budget 2003-04\CommBudg2003-2004 | | |
| EXPENSE BUDGET | 2002-2003 Amended Budget Expenditures | 2003-2004 Budget Expenditures |
| 1. <u>Operations and Maintenance Expenses</u> | | |
| A. Salaries, Wages and Benefits | \$2,657,070 | \$2,811,826 |
| B. Operating Expenditures | 2,574,095 | 2,566,770 |
| C. Other Maintenance Projects | 0 | 45,000 |
| Total Operations and Maintenance | 5,231,165 | 5,423,596 |
| 2. <u>Non-Operating Expenses</u> | | |
| A. Interest | 234,086 | 246,365 |
| B. Debt Service | 335,000 | 350,000 |
| Total Non-Operating | 569,086 | 596,365 |
| 3. <u>Capital Expenses</u> | | |
| A. Capital Projects and Purchases | 98,400 | 202,850 |
| B. Multi -Year Projects | 151,880 | 101,880 |
| Total Capital Expenses | 250,280 | 304,730 |
| Total Budgeted Expenditures | \$6,050,531 | \$6,324,691 |
| REVENUE PROJECTIONS | 2002-2003 Projected Revenues | 2003-2004 Projected Revenues |
| 1. <u>Operating Revenues</u> | | |
| A. Airfield | \$1,275,400 | \$1,459,348 |
| B. General Aviation | 230,318 | 232,285 |
| C. Terminal Related | 4,035,426 | 4,057,311 |
| D. Other Revenues | 245,286 | 400,780 |
| Total Projected Operating Revenues | 5,786,430 | 6,149,724 |
| 2. <u>Non-Operating Revenues</u> | | |
| A. Interest from Debt Service | 40,000 | 40,000 |
| B. Interest on Investments | 425,500 | 411,157 |
| Total Projected Non-Operating Revenues | 465,500 | 451,157 |
| Total Projected Revenue | \$6,251,930 | \$6,600,881 |

ATTACHMENT II

Proposed Capital Expenditures (For projects expected to exceed \$100,000 in cost and intended to benefit five or more accounting periods)

I. Projects

A. Construct EMAS Runway Safety Area:

1. Description: Construct a soft concrete pad in the safety area for Runway 15 to stop aircraft which may overrun the runway.
2. Justification: The current FAA design standards specify that Airports are to attempt to provide 1,000 feet of grassed area (safety area) beyond the end of each runway for the safe stoppage of aircraft which may overrun the runway when landing. The safety area for Runway 15 is only 600 feet long before it intersects with Peters Creek Road. During the last few years a material called EMAS (engineered material arresting system) has been developed and approved by the FAA for use by airports with non-standard safety areas.

Estimated Cost: \$ 5,000,000

B. Relocate Taxiway A and G:

1. Description: Relocate the west end of Taxiway G and the center portion of Taxiway A, including the demolition of the former terminal building, Hangar #2 and Hangar #3.
2. Justification: The western end of Taxiway G and the center portion of Taxiway A are located too close to the Runways and do not meet FAA design criteria. During the past five years, the remaining portions of both taxiways have been relocated to at least 330 feet from each runway centerline; however, the continued existence and use of the 1952 air traffic control tower has precluded the Commission from completing the work. In anticipation of the commissioning of the new air traffic control tower in early 2004, the design of these taxiway relocation projects and the demolition work which must be done to accommodate them are expected to occur in late 2003 and early 2004. In order to move forward with the projects, Hangar Building #2 and #3 will need to be demolished in addition to the former terminal building where the current FAA tower is housed. Construction of the taxiway relocations is expected in late 2004 or early 2005.

Estimated Cost: \$5,600,000

C. Construct 14 Unit T-Hangar:

1. Description: Construct one building containing up to 14 t-hangar units for the housing of general aviation aircraft.
2. Justification: In order to move forward with the Master Plan Recommendations and to provide space for planes soon to be displaced by hangar demolition, it is necessary to build a 12-14 unit t-hangar facility for the hangaring of private/corporate aircraft. Having failed to receive any bids for the project to be undertaken by private developers, it is now incumbent upon the Commission to undertake the construction and to recoup its costs from the rentals to be paid in the future.

Estimated Cost: \$ 400,000

II. **Funding Sources**

| | |
|--------------------------------------|------------------|
| Federal AIP Grant Funds | \$ 9,540,000 |
| State Aviation Grant Funds | 1,060,000 |
| Commission Funds | <u>400,000</u> |
| Estimated Total Projects Funding | \$11,000,000 |

RESOLUTION OF THE ROANOKE REGIONAL AIRPORT COMMISSION

Adopted this 12th day of March 2003


No. 02-031203

A RESOLUTION approving and adopting the Commission's Operating and Capital Purchase Budget for fiscal year 2003-2004.

BE IT RESOLVED by the Roanoke Regional Airport Commission that the fiscal year 2003-2004 Operating and Capital Purchase Budget for the Commission as set forth in the report and accompanying attachment by the Executive Director dated March 12, 2003, is hereby approved;

BE IT FINALLY RESOLVED that the Executive Director is authorized on behalf of the Commission to submit the fiscal year 2003-2004 Operating and Capital Purchase Budget, as well as a list of Proposed Capital Expenditures, to the Roanoke City Council and the Roanoke County Board of Supervisors for approval pursuant to the contract between the Commission, Roanoke City and Roanoke County dated January 28, 1987, as amended.

ATTEST:


Secretary

| | | |
|-------|---------|--|
| VOTE: | AYES: | Macfarlane, Milliron, Smith, Turner, Whittaker |
| | NAYS: | None |
| | ABSENT: | None |

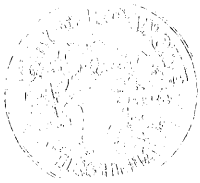
IN THE COUNCIL OF THE CITY OF ROANOKE, VIRGINIA,

A RESOLUTION approving the Roanoke Regional Airport Commission's 2003-2004 proposed operating and capital budget upon certain terms and conditions.

BE IT RESOLVED by the Council of the City of Roanoke that in accordance with the requirements of the Roanoke Regional Airport Commission Act, as amended by the General Assembly of Virginia, Chapter 385, 1996 Acts of Assembly, and the Roanoke Regional Airport Commission Contract dated January 28, 1987, as amended by First Amendment, dated December 6, 1996, the City of Roanoke hereby approves the Airport Commission's 2003-2004 proposed operating and capital budget, as well as a separate listing of certain proposed capital expenditures, as more particularly set forth in a report from the Commission to this Council, dated March 12, 2003.

ATTEST:

City Clerk.



CITY OF ROANOKE

OFFICE OF THE CITY MANAGER

Noel C. Taylor Municipal Building
215 Church Avenue, S.W., Room 364
Roanoke, Virginia 24011-1591

Telephone: (540) 853-2333

Fax: (540) 853-1138

CityWeb: www.roanokegov.com

April 7, 2003

Honorable Ralph K. Smith, Mayor
Honorable C. Nelson Harris, Vice Mayor
Honorable William D. Bestpitch, Council Member
Honorable William H. Carder, Council Member
Honorable M. Rupert Cutler, Council Member
Honorable Alfred T. Dowe, Jr., Council Member
Honorable Linda F. Wyatt, Council Member

Dear Mayor Smith and Members of City Council:

Subject: Fund Appropriation for
Repayment from First
Union National Bank

Background:

The City of Roanoke, First Union and the Fifth District Employment and Training Consortium (FDETC) agreed that if First Union would maintain 420 jobs in Enterprise Zone One, training funds would be available. The agreement states First Union is responsible for repaying \$400 for each position below 420. A compliance review noted only 342 First Union employees are now located in Enterprise Zone One, therefore the city recently received a check from First Union in the amount of \$31,200, representing repayment for 78 positions.

Recommended Action:

Appropriate \$31,200 of First Union repayment funds into the Enterprise Zone Training Incentive fund (008-310-9630) to further the goals of the Enterprise Zone program. Establish a revenue estimate of \$31,200 in the "First Union Job Grant Repayment" revenue account.

Respectfully submitted,

Darlene L. Burcham
City Manager

Honorable Mayor and Members of Council
April 7, 2003
Page 2

DLB:sem

c: Jesse A. Hall, Director of Finance
William M. Hackworth, City Attorney
Mary F. Parker, City Clerk
Elizabeth A. Neu, Director of Economic Development

#CM03-00049

JW

IN THE COUNCIL OF THE CITY OF ROANOKE, VIRGINIA

AN ORDINANCE to amend and reordain certain sections of the 2002-2003 Capital Projects Fund Appropriations, and dispensing with the second reading by title of this ordinance.

BE IT ORDAINED by the Council of the City of Roanoke that certain sections of the 2002-2003 Capital Projects Fund Appropriations be, and the same are hereby, amended and reordained to read as follows, in part:

Appropriations

| | |
|---------------------------------|--------------|
| Economic Development | \$25,216,251 |
| Enterprise Zone 1 & 2 (1) | 49,922 |

Revenues

| | |
|-------------------------|------------|
| Miscellaneous (2) | \$ 721,200 |
|-------------------------|------------|

| | | | |
|----------------------|---------------------|----|--------|
| 1) Appropriated from | | | |
| General Revenue | (008-310-9630-9003) | \$ | 31,200 |
| 2) First Union Job | | | |
| Grant Repayment | (008-310-9699-1281) | | 31,200 |

Pursuant to the provisions of Section 12 of the City Charter, the second reading of this ordinance by title is hereby dispensed with.

ATTEST:

City Clerk.



CITY OF ROANOKE
OFFICE OF THE CITY MANAGER

Noel C. Taylor Municipal Building
215 Church Avenue, S.W., Room 364
Roanoke, Virginia 24011-1591
Telephone: (540) 853-2333
Fax: (540) 853-1138
CityWeb: www.roanokegov.com

April 7, 2003

Honorable Ralph K. Smith, Mayor
Honorable C. Nelson Harris, Vice Mayor
Honorable William D. Bestpitch, Council Member
Honorable William H. Carder, Council Member
Honorable M. Rupert Cutler, Council Member
Honorable Alfred T. Dowe, Jr., Council Member
Honorable Linda F. Wyatt, Council Member

Dear Mayor Smith and Members of City Council:

Subject: Fire Station #1
Tower Restoration

This project proposes the restoration of the Fire Station No. 1 bell tower roof, cornice, entablature, and tower brackets. The building is located at 13 East Church Avenue in Downtown Roanoke. The Consulting Team of Don Harwood, an architect with Hill Studio, and Mark Clark of Southwest Restoration, a restoration specialist of historic structures, provided the City with a report outlining deficiencies in the tower.

Currently, funding for the project is available in the Fixed Asset Maintenance account 001-440-4330-3057 in the amount of \$25,000 and Maintenance CMERP account 001-440-4330-9132 in the amount of \$20,465. As indicated on the tower restoration report, additional funding would be required to do all of the recommended work in one phase. Total funding in the amount of \$169,965 is needed for the project. Additional funding is available in the General Fund Reserve account 001-300-9410-2197 in the amount of \$124,500.

Included in the project costs are design services provided by an architectural/engineering Consultant, renovation services provided by a Contractor, and miscellaneous project expenses including advertising, printing, testing services, and unforeseen project conditions.

Recommended Action:

Transfer \$124,500 from the General Fund Reserve account into the Maintenance CMERP account 001-440-4330-9132.

Respectfully submitted,



Darlene L. Burcham
City Manager

DLB:TWK:na

c: Mary F. Parker, City Clerk
William M. Hackworth, City Attorney
Jesse A. Hall, Director of Finance
Philip C. Schirmer, City Engineer
Robert H. Bird, Acting Manager, Purchasing Department

#CM03-00050

IN THE COUNCIL OF THE CITY OF ROANOKE, VIRGINIA

AN ORDINANCE to amend and reordain certain sections of the 2002-2003 General Fund Appropriations, and dispensing with the second reading by title of this ordinance.

BE IT ORDAINED by the Council of the City of Roanoke that certain sections of the 2002-2003 General Fund Appropriations be, and the same are hereby, amended and reordained to read as follows, in part:

Appropriations

| | | |
|------------------------------------|---------------------|---------------|
| Public Works | | \$ 25,040,553 |
| Building Maintenance (1) | | 3,955,786 |
| Nondepartmental | | \$ 75,071,523 |
| Contingency-General Fund (2) | | 1,077,119 |
| 1) CMERP-Equipment | | |
| Purchases | (001-440-4330-9132) | \$ 124,500 |
| 2) General Fund Reserve | (001-300-9410-2197) | (124,500) |

Pursuant to the provisions of Section 12 of the City Charter, the second reading of this ordinance by title is hereby dispensed with.

ATTEST:

City Clerk.

CITY OF ROANOKE

OFFICE OF THE CITY MANAGER

Noel C. Taylor Municipal Building
215 Church Avenue, S.W., Room 364

Roanoke, Virginia 24011-1591

Telephone: (540) 853-2333

Fax: (540) 853-1138

CityWeb: www.roanokegov.com

April 7, 2003

Honorable Ralph K. Smith, Mayor
Honorable C. Nelson Harris, Vice Mayor
Honorable William D. Bestpitch, Council Member
Honorable William H. Carder, Council Member
Honorable M. Rupert Cutler, Council Member
Honorable Alfred T. Dowe, Jr., Council Member
Honorable Linda F. Wyatt, Council Member

Dear Mayor Smith and Members of City Council:

Subject: Transfer of Funds to
Capital Account
First Street Bridge

City Council recently approved the one-way vehicular and pedestrian concept design for the renovation of First Street Bridge.

Estimated cost for the project is \$2,390,100. Partial funding in the amount of \$750,000 has already been appropriated. The City is negotiating with Norfolk Southern Railway to pay the \$275,000 cost for removal of their signals from the bridge. Additional funding in the amount of \$1,365,100 needed for the bridge renovation is available in the General Fund Reserve Account.

Recommended Action:

Adopt the attached budget ordinance to transfer \$1,365,100 from General Fund Reserve Account No. 001-300-9410-2197 to First Street Bridge Account No. 008-052-9574.

Respectfully submitted,



Darlene L. Burcham
City Manager

DLB:JGB:na

c: Mary F. Parker, City Clerk
William M. Hackworth, City Attorney
Jesse A. Hall, Director of Finance
Philip C. Schirmer, City Engineer

#CM03-00051

IN THE COUNCIL OF THE CITY OF ROANOKE, VIRGINIA

AN ORDINANCE to amend and reordain certain sections of the 2002-2003 General and Capital Projects Funds Appropriations, and dispensing with the second reading by title of this ordinance.

BE IT ORDAINED by the Council of the City of Roanoke that certain sections of the 2002-2003 General and Capital Projects Funds Appropriations be, and the same are hereby, amended and reordained to read as follows, in part:

General Fund

Appropriations

| | |
|--------------------------------------|---------------|
| Nondepartmental | \$ 75,566,602 |
| Transfers to Other Funds (1) | 74,199,059 |
| Contingency - General Fund (2) | (163,481) |

Capital Projects Fund

Appropriations

| | |
|--|---------------|
| Streets and Bridges | \$ 27,480,007 |
| First Street Pedestrian Bridge (3) | 2,252,357 |

Revenues

| | |
|--------------------------------------|--------------|
| Nonoperating | \$ 4,255,438 |
| Transfer from General Fund (4) | 4,213,498 |

- | | | |
|--------------------------------------|---------------------|--------------|
| 1) Transfer to Capital Projects Fund | (001-250-9310-9508) | \$ 1,365,100 |
| 2) General Fund Reserve | (001-300-9410-2197) | (1,365,100) |
| 3) Appropriated from General Revenue | (008-052-9574-9003) | 1,365,100 |
| 4) Transfer from General Fund | (008-110-1234-1037) | 1,365,100 |

Pursuant to the provisions of Section 12 of the City Charter, the second reading of this ordinance by title is hereby dispensed with.

ATTEST:

City Clerk.



CITY OF ROANOKE
OFFICE OF THE CITY MANAGER

Noel C. Taylor Municipal Building
215 Church Avenue, S.W., Room 364
Roanoke, Virginia 24011-1591
Telephone: (540) 853-2333
Fax: (540) 853-1138
CityWeb: www.roanokegov.com

April 7, 2003

Honorable Ralph K. Smith, Mayor
Honorable C. Nelson Harris, Vice Mayor
Honorable William D. Bestpitch, Council Member
Honorable William H. Carder, Council Member
Honorable M. Rupert Cutler, Council Member
Honorable Alfred T. Dowe, Jr., Council Member
Honorable Linda F. Wyatt, Council Member

Dear Mayor Smith and Members of City Council:

Subject: Property Rights Acquisition for Fire
Administration Building Project

Funding has been approved by City Council for development of a new fire station/fire administration headquarters building which would also combine current Fire Stations No. 1 and No. 3. Several sites with proximity to the downtown area were considered as possible locations, with one site being selected that best meets the needs for the new facility. One parcel, identified by Tax No. 1020310, at the corner of Elm and Franklin, needs to be acquired for this project. See Attachments #1 and #2.

Authorization is needed to move forward with procurement of title work and document preparation related to acquisition of the necessary property rights. Funding of \$145,000 for the purchase price plus approximately \$5,000 for related expenses is available in capital project account 008-530-9678-9050, Fire/EMS Facility Improvement Program.

Recommended Action(s):

Authorize the City Manager to acquire all property rights as stated above, subject to an acceptable title report. Said property rights may be acquired by negotiation and may include fee simple, permanent easements, temporary construction easements, rights of way, licenses or permits, etc.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Darlene L. Burcham".

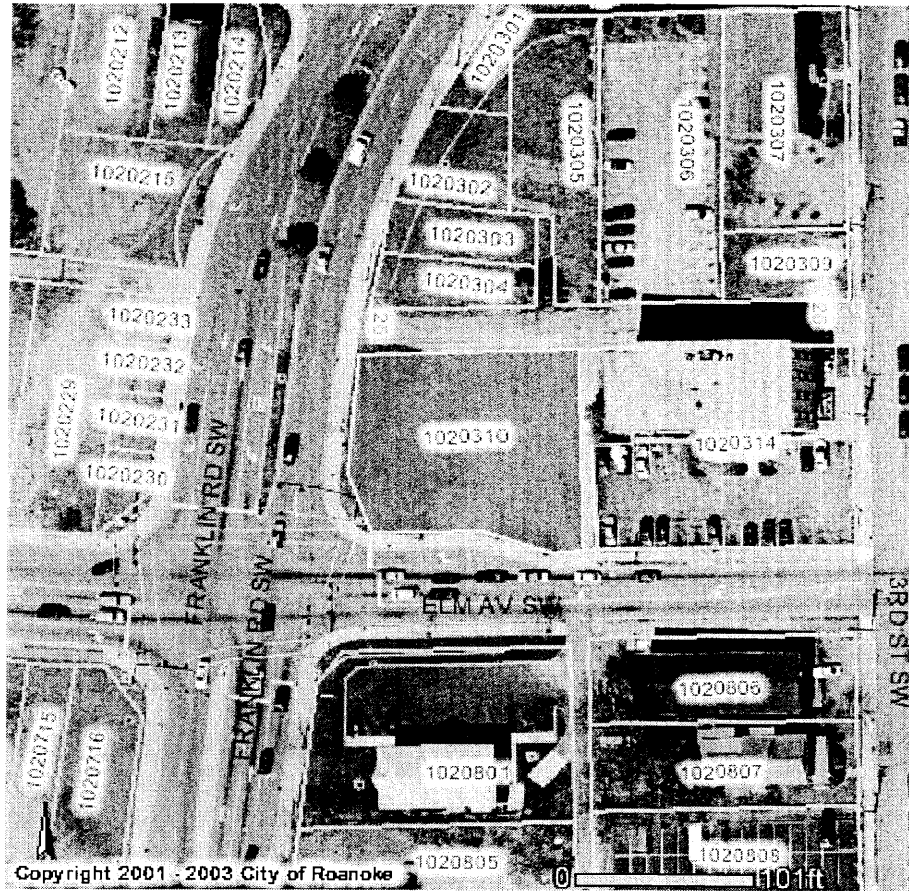
Darlene L. Burcham
City Manager

DLB/sef

Attachment

c: Mary F. Parker, City Clerk
William M. Hackworth, City Attorney
Jesse A. Hall, Director of Finance
Philip C. Schirmer, City Engineer

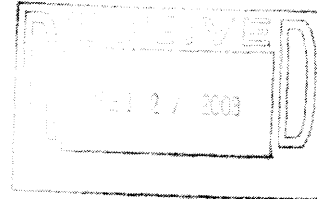
#CM03-00052





Office of the City Engineer

February 27, 2003



Mr. John T. Plichta, Director
Roanoke Mental Hygiene Service, Incorporated
dba Blue Ridge Behavior Healthcare
301 Elm Avenue
Roanoke, Virginia 24016-4001

Dear Mr. Plichta:

The City of Roanoke proposes to purchase from Roanoke Mental Hygiene Service, Incorporated, vacant real property identified by Tax Map No. 1020310. The property is further described as being a lot of 0.309 acres, part of Lots 11, 12, and 13, Block 8, Official Survey, Sheet 2, SW, according to a survey by Shanks Associates, P.C. dated June 8, 1998 and revised July 15, 1998 a copy of it which is attached.

The total consideration for the fee simple interest in the subject property is \$145,000. This consideration shall also include a perpetual right of shared use of parking located on other property of Blue Ridge identified as Tax Map parcels 1020306 and 1020309. The City will improve these existing parking lots with landscaping and other improvements at its sole expense.

This proposal if accepted by Roanoke Mental Hygiene Service, Incorporated is subject to the approval of Roanoke City Council.

Sincerely,

John M. Bowman
Real Estate Acquisition Specialist

JMB:ca

ACCEPTANCE:

John T. Plichta, Director

Number of parking spaces for
perpetual right of use not to
exceed six (6) spaces.

MAR 24 2003

IN THE COUNCIL OF THE CITY OF ROANOKE, VIRGINIA,

AN ORDINANCE providing for the acquisition of certain property needed by the City for the development of a new fire station and fire administration headquarters building; setting a limit on the consideration to be offered by the City; and dispensing with the second reading of this ordinance by title.

BE IT ORDAINED by the Council of the City of Roanoke that:

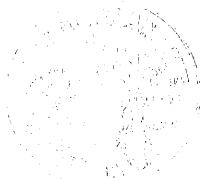
1. To provide for the acquisition of certain property needed by the City for development of a new fire station and fire administration headquarters building, the City wants and needs certain property bearing Roanoke City Tax No. 1020310, at the corner of Elm Avenue and Franklin Road, as more fully described in a letter of the City Manager to City Council dated April 7, 2003. The proper City officials are authorized to acquire the property for such consideration as the City Manager may deem appropriate, subject to the limitation set out below and subject to applicable statutory guidelines. All requisite documents shall be upon form approved by the City Attorney.
2. The City's purchase of the property bearing Official Tax No. 1020310 is subject to the City obtaining an acceptable title report.
3. A public necessity and use exists for the acquisition of the property and immediate acquisition by purchase is necessary and expedient.
4. The City Manager is directed on behalf of the City to offer the landowners such consideration for the property rights as deemed appropriate; provided, however, the total consideration offered or expended and any and all necessary closing costs, including, but not limited to appraisals, title reports, preparation of necessary documents and recordation costs, shall not

exceed \$150,000.00 without further authorization of Council. Upon the acceptance of an offer and upon delivery to the City of deeds, approved as to form and execution by the City Attorney, the Director of Finance is directed to pay the consideration to the owners of the interests conveyed, certified by the City Attorney to be entitled to the same.

5. Pursuant to the provisions of Section 12 of the City Charter, the second reading of this ordinance by title is hereby dispensed with.

ATTEST:

City Clerk.



CITY OF ROANOKE

OFFICE OF THE CITY MANAGER

Noel C. Taylor Municipal Building
215 Church Avenue, S.W., Room 364

Roanoke, Virginia 24011-1591

Telephone: (540) 853-2333

Fax: (540) 853-1138

CityWeb: www.roanokegov.com

April 7, 2003

Honorable Ralph K. Smith, Mayor
Honorable C. Nelson Harris, Vice Mayor
Honorable William D. Bestpitch, Council Member
Honorable William H. Carder, Council Member
Honorable M. Rupert Cutler, Council Member
Honorable Alfred T. Dowe, Jr., Council Member
Honorable Linda F. Wyatt, Council Member

Dear Mayor Smith and Members of City Council:

Subject: Health Plan Agreements for
HIPAA Compliance

The Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), as amended, requires the City, as a sponsor of its health care plan, dental plan, and flexible spending account plan, to enter into Business Associate Agreements with companies that receive health information. HIPAA also requires the City to amend its plans with regard to HIPAA privacy requirements. Compliance with HIPAA is required by April 15, 2003.

No additional costs will be incurred as a result of the Business Associate Agreements or the amendments to the plans; however, the contracts to administer the plans and the Business Associate Agreements contain standard mutual indemnity provisions.

Recommended Action:

Authorize the City Manager and the City Clerk to execute and attest, respectively, Business Associate Agreements with Anthem Health Plans of Virginia, Palmer & Cay Consulting Group, Delta Dental and Ceridian Corporation and to amend the health care plan, dental plan and flexible spending account plans to include the HIPAA privacy requirements, such agreements and amendments to be approved as to form by the City Attorney.

Respectfully submitted,

Darlene L. Burcham
City Manager

DLB:kc

c: Mary F. Parker, City Clerk
William M. Hackworth, City Attorney
Jesse A. Hall, Director of Finance

CM03-0056

**AMENDMENT
to the
CITY OF ROANOKE EMPLOYEE HEALTH CARE PLAN**

WHEREAS CITY OF ROANOKE ("City of Roanoke") sponsors a health care plan for the benefit of its employees, which plan is known as City of Roanoke Employee Health Care Plan ("the Plan"),

WHEREAS City of Roanoke desires to amend the Plan to allow City of Roanoke to receive from the Plan certain health information protected by the Health Insurance Portability and Accountability Act of 1996 and regulations issued thereunder.

NOW THEREFORE City of Roanoke hereby amends the Plan as follows:

The attached Health Insurance Portability and Accountability Act privacy appendix is appended to the Plan, in the form attached hereto.

This Amendment is effective as of the date the HIPAA Privacy Regulations at 45 C.F.R. § 160.101 *et seq.* apply to the Plan.

WHEREFORE this Amendment is adopted this ____ day of _____, 200____.

CITY OF ROANOKE

By_____

Title_____

Attest:

**CITY OF ROANOKE
EMPLOYEE HEALTH CARE PLAN
(as defined below)**

**BUSINESS ASSOCIATE AGREEMENT
(ANTHEM HEALTH PLANS OF VIRGINIA)**

WHEREAS the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") and the regulations issued by the Health and Human Services Administration thereunder, at 45 CFR part 160 and part 164, subparts A and E ("Privacy Rules"), require certain health plans to enter into written agreements with certain third-party business associates that assist the plans with respect to administration and related operational matters;

WHEREAS the Privacy Rules require the written agreements to contain specific representations and guarantees regarding the business associates' obligations to protect the confidentiality of protected health information ("PHI"), as defined below and in the Privacy Rules, they receive or maintain on behalf of the plans;

WHEREAS City of Roanoke ("City of Roanoke") sponsors and maintains one or more health care plans that are subject to the HIPAA requirements, which plans are described in Attachment A to this Agreement;

WHEREAS the health care plans listed in Attachment A have been designated by City of Roanoke as part of an Affiliated Covered Entity (as defined in the Privacy Rules), such that the health care plans are considered a single plan for purposes of effecting and demonstrating compliance with the Privacy Rules, and such deemed single plan is referred to in this Agreement as City of Roanoke Health Care Plan ("the Plan");

WHEREAS Anthem Health Plans of Virginia ("Business Associate") is a business associate (as defined in the Privacy Rules) with respect to one or more of the health care plans that, for purposes of this Agreement, constitute the Plan;

WHEREAS the Plan and Business Associate are committed to complying with the Privacy Rules, and agree that the terms and conditions of this Agreement apply to their service arrangement, and supplement the terms of any other oral or written agreement between them related to such service arrangement;

WHEREAS this Agreement sets forth the terms and conditions under which PHI provided, created, received, or maintained by Business Associate, from or on behalf of Plan, will be handled by and between Business Associate and Plan and with Business Associate's subcontractors during the term of this Agreement and after its termination; and

NOW, THEREFORE, the Plan and Business Associate hereby agree that, in connection with the use or disclosure of PHI, each will comply as follows:

**ARTICLE I
SCOPE AND EFFECTIVE DATE**

1.1 **Scope.** This Agreement applies to Business Associate only with respect to its operations for or on behalf of the health care plan(s) listed in Attachment A with respect to which Business Associate has a service arrangement, and has no application and imposes no duties or obligations on Business Associate with respect to those plans listed in Attachment A with which Business Associate has no service arrangement. Where this Agreement refers to Business Associate's service arrangement with "the Plan," the reference means the Business Associate's

service arrangement with the plan(s) listed in Attachment A with which Business Associate actually has a service arrangement. Where this Agreement refers to Business Associate's receipt or maintenance of PHI for or on behalf of the Plan, the reference is to Business Associate's receipt or maintenance of PHI for or on behalf of the plan(s) listed in Attachment A with which Business Associate has a service arrangement.

1.2 **Effective Date.** This Agreement applies to Business Associate separately with respect to each plan listed in Attachment A with respect to which Business Associate has a service arrangement. With respect to each such plan, this Agreement will not apply to Business Associate prior to later of:

- (a) the effective date of the Privacy Rules' applicability to the plan, and
- (b) the effective date of this Agreement.

ARTICLE II **DEFINITIONS**

2.1 **Generally.** Terms used here and in the Privacy Rules, but not otherwise defined in this Agreement, have the definitions assigned to those terms in the Privacy Rules.

2.2 **Designated Record Set.** Means a group of records maintained by or for the Plan that is (i) the medical records and billing records about individuals maintained by or for a covered health care provider; (ii) the enrollment, payment, claims adjudication, and case or medical management records systems maintained by or for the Plan; or (iii) used, in whole or in part, by or for the Plan to make decisions about individuals. Designated Record Set includes any item, collection, or grouping of information that includes PHI and is maintained, collected, used, or disseminated by or for the Plan.

2.3 **Protected Health Information ("PHI").** Means any information that is maintained or transmitted in any form by or on behalf of the Plan and that (i) is created or received by a health care provider, health plan, employer, or health care clearinghouse; (ii) relates to (a) the past, present or future physical or mental health conditions of an individual, (b) the provision of health care to an individual or (c) the past, present or future payment for the provision of health care to an individual; and (iii) identifies the individual or with respect to which there is a reasonable basis to believe that the information could be used to identify the individual.

2.4 **Workforce.** Means employees, volunteers, trainees, and other persons whose conduct, in the performance of work for Business Associate or City of Roanoke, as the case may be, is under the direct control of such entity, whether or not they are paid by the entity.

ARTICLE III **RIGHTS, DUTIES AND OBLIGATIONS OF BUSINESS ASSOCIATE REGARDING PHI**

3.1 **Use and Disclosure Generally.** Business Associate agrees to not use or disclose PHI that it acquires for or on behalf of the Plan other than as permitted or required by the Agreement or as required by law.

3.2 **General Use and Disclosure Provisions.** Except as otherwise limited in this Agreement, Business Associate may use or disclose PHI to perform functions, activities, or services for, or on behalf of, the Plan consistent with Business Associate's service arrangement with the Plan, provided that such use or disclosure would not violate the Privacy Rules if done by the Plan, or the "minimum necessary" policies and procedures of the Plan.

3.3 **Specific Use and Disclosure Provisions.**

(a) Except as otherwise limited in this Agreement, Business Associate may use PHI for the proper management and administration of Business Associate or to carry out Business Associate's legal responsibilities.

(b) Except as otherwise limited in this Agreement, Business Associate may disclose PHI for the proper management and administration of Business Associate's duties and obligations under its service arrangement with the Plan, provided that disclosures are required by law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as required by law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.

(c) Except as otherwise limited in this Agreement, Business Associate may use PHI to provide data aggregation services to the Plan as permitted by 42 C.F.R. § 164.504(e)(2)(i)(B).

(d) Business Associate may use PHI to report violations of law to appropriate Federal and State authorities, consistent with 42 C.F.R. § 164.502(j)(1).

3.4 **Safeguards.** Business Associate will use appropriate safeguards and commercially reasonable efforts to prevent use or disclosure of PHI other than uses or disclosures permitted or required by this Agreement. Business Associate will provide Plan with information concerning such safeguards, upon the request of Plan from time to time, and will, upon reasonable request, give City of Roanoke access to Business Associate's policies and procedures concerning the use and disclosure of PHI, for the purpose of determining Business Associate's compliance with this Agreement.

3.5 **Reporting Inappropriate Uses and Disclosures.** Business Associate will report to the privacy official any use or disclosure of PHI not permitted by this Agreement of which it becomes aware, and will also report the remedial action that is taken, or will be taken, by Business Associate, regarding such use or disclosure. Business Associate will make such report on the date it becomes aware of the unauthorized use or disclosure, or within a reasonable time following such date. Business Associate will establish procedures for mitigating, to the greatest extent possible, any adverse effects resulting from any improper use or disclosure of PHI that Business Associate reports to the Plan.

3.6 **Agents and Subcontractors.** Business Associate will ensure that all agents, subcontractors, and other third parties to whom it provides PHI as permitted or required under this Agreement agree, in writing, before the disclosure of such PHI, to the same restrictions and conditions that apply to Business Associate with respect to such PHI. Business Associate agrees to make such agreements available to the Plan for review upon request.

3.7 **Access.** Whenever an individual requests directly from Business Associate *access* to his or her PHI as permitted under 45 C.F.R. § 164.524 of the Privacy Rules, Business Associate will timely respond to such requests by providing the requested PHI directly to the individual. If the Plan receives a written request for access to information maintained by Business Associate, the Plan will forward the request to Business Associate promptly. Business Associate will process all requests for access in accordance with this Agreement and the Privacy Rules. If Business Associate receives a request for PHI it does not maintain, Business Associate will forward promptly such request to the Plan for handling. Business Associate may require the individuals to submit such requests in writing.

In no event will Business Associate provide access to psychotherapy notes (as defined in the Privacy Rules), information compiled in reasonable anticipation of (or for use in) a legal proceeding, or any other information not maintained in a Designated Record Set.

(a) Timely Response. Business Associate's response to an individual's request for access will be timely if the requested PHI is maintained or accessible to Business Associate on-site, and Business Associate grants or denies the request in writing within 30 days of the earlier of either Business Associate's or the Plan's receipt of the request. However, if the requested information is not maintained or accessible to Business Associate on-site, Business Associate will grant or deny the request in writing within 60 days of the earlier of either Business Associate's or the Plan's receipt of the request. If Business Associate is unable to process an individual's request within the respective 30-day or 60-day periods, Business Associate may be granted one additional extension for up to 30 days, provided that Business Associate provides the individual with a written statement of the reasons for the delay and the date on which Business Associate will grant or deny the request.

(b) Format of Access. If Business Associate grants an individual's request for access and the PHI is readily producible in the requested format, Business Associate will give the individual access to the PHI in such format. However, if Business Associate determines that the PHI is not readily producible in the requested format, Business Associate may provide it in readable hard copy format or some other form agreed to by Business Associate and the individual. Business Associate may also provide the individual with a summary or explanation of the requested PHI if the individual agrees in advance to the summary or explanation format and the fee (if any) imposed for such summary or explanation.

(c) Manner and Fees. Business Associate will arrange for a convenient time and place for the individual to obtain a copy of the PHI or will mail a copy of the PHI to the individual, at the individual's request. Business Associate may impose a reasonable, cost-based fee for providing requested PHI if the fee includes only the cost for copying (both the supplies and labor), postage (if mailing of PHI is requested), and preparation of summaries or explanations (if agreed to as provided in Subsection 3.7(b) above).

(d) Grounds for Denial. Business Associate may deny an individual's request for access to PHI if a licensed health care professional selected by Business Associate, in the exercise of professional judgment, determines that the access requested is: (i) reasonably likely to endanger the life or physical safety of an individual or another person; (ii) reasonably likely, if the PHI refers to another person, to cause substantial harm to that person; or (iii) reasonably likely, if the access is requested by an individual's personal representative, to cause substantial harm to an individual or another person. Individuals will be allowed to have denials made under this Subsection 3.7(d) reviewed in accordance with the procedures established in Subsection 3.7(g) below.

If any request is denied in part, Business Associate will, to the extent possible, provide the individual with access to any other PHI requested, after excluding the PHI as to which Business Associate has grounds to deny access.

(e) Unreviewable Grounds for Denial. Business Associate may deny an individual's request for access and such denial will be considered final in the following cases: (i) the PHI is contained in records subject to the Federal Privacy Act and may be denied under that Act; or (ii) the PHI was obtained from someone other than a health care provider under a promise of confidentiality and access would be reasonably likely to reveal the source of the information.

(f) Notice Requirement. Business Associate will provide a timely, written denial to an individual. Such denial will be written in plain language and will contain:

- (i) the basis for the denial;
- (ii) if applicable, a statement of the individual's review rights, including a description of how the individual may exercise such review rights; and
- (iii) a description of how the individual may submit a complaint to the Plan or to HHS regarding Business Associate's and the Plan's compliance with established privacy policies and procedures and the Privacy Rules, including the name or title and telephone number of the contact person designated to receive such complaints.

(g) Review of Denials. Business Associate will designate a licensed health care professional, who was not directly involved in the initial denial, to review the decision to deny access. Business Associate will promptly refer an individual's request for review to such designated reviewing official. The designated reviewing official will determine, within a reasonable period of time, whether or not to deny the access requested based on Subsection 3.7(d) and the standards in 45 C.F.R. § 164.524(a)(3) of the Privacy Rules. Business Associate will promptly provide written notice to an individual of the determination of the designated reviewing official and take any other action required to carry out the designated reviewing official's determination.

(h) Documentation. In accordance with the Privacy Rules, Business Associate will document the Designated Record Sets subject to an individual's right of access, the titles of the persons or offices responsible for receiving and processing requests for access, and copies of all communications required to be in writing under the Privacy Rules. Business Associate will retain the documentation for six years from the date of its creation or the date when it was last in effect, whichever is later. Business Associate will periodically provide the Plan with a written summary of the details of its handling of requests for access under this Section 3.7 (including the timing of Business Associate's response). Additionally, Business Associate will inform the Plan of the titles of the persons or offices responsible for receiving and processing such requests.

3.8 Amendment. When an individual requests that Business Associate *amend* his or her PHI as permitted under 45 C.F.R. § 164.526 of the Privacy Rules, Business Associate will timely respond to such request. If the Plan receives a request for amendment of PHI maintained by Business Associate, Plan will forward the request to Business Associate promptly. Business Associate will process all requests for amendment in accordance with this Agreement and the Privacy Rules. Business Associate will respond directly to an individual for purposes of this Section. Business Associate will periodically provide the Plan with a written summary of the details of its handling of such requests under this Section 3.8 (including the timing of Business Associate's response). Business Associate may require an individual to submit such requests in writing and specify a reason to support the amendment.

In no event will Business Associate permit amendment to psychotherapy notes (as defined in the Privacy Rules), information compiled in reasonable anticipation of (or for use in) a legal proceeding, or any other information not maintained in a Designated Record Set.

(a) Timely Response. Business Associate's response to an individual's request for amendment will be timely if Business Associate grants or denies the request in writing within 60 days of the earlier of either Business Associate's or the Plan's receipt of the request. If Business Associate is unable to process an individual's request within the 60-day period, Business Associate may extend the period for responding to a request up to an additional 30 days, provided that Business Associate provides the individual with a written statement of the reasons for the delay and the date on which Business Associate will grant or deny the request for amendment.

(b) Amendment Granted. If Business Associate grants the requested amendment (in whole or in part), it will make the appropriate amendment to the PHI or pertinent record.

Such amendment will identify the affected PHI or records and append or otherwise provide a link to the location of the amendment. Business Associate will also timely inform the individual that the amendment is accepted and obtain the individual's agreement to inform: (i) those identified by the individual as having received the PHI and needing the amendment; and (ii) those known by Business Associate to have received the PHI and that may foreseeably rely on the PHI to the detriment of the individual.

(c) Grounds for Denial. Business Associate will deny a request for amendment if Business Associate determines, in its discretion, that the PHI: (i) was not created by, or on behalf of, the Plan (unless the individual provides a reasonable basis to believe that the originator of the PHI is no longer available to act on the requested amendment); or (ii) is accurate and complete without the amendment.

(d) Notice of Denial. If Business Associate denies the request for amendment, it will send the individual a denial written in plain language that contains a statement about:

- (i) the basis for the denial;
- (ii) the individual's right to submit a written statement disagreeing with the denial and how the individual may file such a statement;
- (iii) how, if the individual does not submit a statement of disagreement, the individual may request that Business Associate provide the individual's request for amendment and the denial with any future disclosures of the PHI that is the subject of amendment; and
- (iv) a description of how an individual may submit a complaint to the Plan or to HHS regarding Business Associate's and the Plan's compliance with established privacy policies and procedures and the Privacy Rules, including the name or title and telephone number of the contact person designated to receive such complaints on behalf of the Plan.

(e) Statement of Disagreement. If Business Associate denies a request for amendment, Business Associate will permit an individual to submit to Business Associate a written statement of reasonable length disagreeing with the denial of all or part of a requested amendment and the basis of such disagreement.

(f) Rebuttal Statement. Business Associate may prepare a written rebuttal to an individual's statement of disagreement. Whenever such a rebuttal is prepared, Business Associate will provide a copy to the individual who submitted the statement of disagreement.

(g) Recordkeeping. Business Associate will, as appropriate, identify the record or PHI that is the subject of the disputed amendment and append or otherwise link the individual's request for an amendment, Business Associate's denial of the request, the individual's statement of disagreement, if any, and Business Associate's rebuttal, if any, to the record.

(h) Future Disclosures. If an individual submits a statement of disagreement, Business Associate will include the information appended in accordance with Subsection 3.8(g), or an accurate summary of such information, with all future disclosures of the PHI. If the individual does not submit a statement of disagreement, Business Associate will include the request for amendment and denial with future disclosures only if the individual requests such action in accordance with Subsection 3.8(d)(iii) above. If the disclosure is made using a standard transaction that does not

permit the material to be included with the disclosure, Business Associate may transmit the material separately. If Business Associate receives notice from another "covered entity," as defined in 45 C.F.R. § 160.103, about an amendment to an individual's PHI, Business Associate will amend the PHI accordingly.

(i) Documentation. In accordance with the Privacy Rules, Business Associate will document the titles of the persons or offices responsible for receiving and processing requests for amendments by individuals and copies of all communications required to be in writing under the Privacy Rules. Business Associate will retain the documentation for six years from the date of its creation or the date when it was last in effect, whichever is later. Business Associate will periodically provide the Plan with a written summary of the details of its handling of requests for amendments under this Section 3.8 (including the timing of Business Associate's response). Additionally, Business Associate will inform the Plan of the titles of the persons or offices responsible for receiving and processing such requests.

3.9 Accounting of Disclosures. When an individual requests of Business Associate an *accounting* of Business Associate's disclosures of his or her PHI under 45 C.F.R. § 164.528 of the Privacy Rules, Business Associate will respond directly to the individual for purposes of providing the accounting. If a request for an accounting is submitted directly to the Plan, the Plan will forward the request to Business Associate promptly. In either case, Business Associate will process the request in accordance with this Agreement and the Privacy Rules. Business Associate will periodically provide the Plan with a written summary of the details of its handling of such requests under this Section 3.9 (including the timing of Business Associate's response).

(a) Excluded Disclosures. Business Associate need not provide an accounting of any disclosure made: (i) to carry out treatment, payment or health care operations; (ii) to an individual (where the individual requests the accounting) or authorized by the individual; (iii) incident to a use or disclosure otherwise permitted or required by the Privacy Rules; (iv) to persons involved in the individual's care or for other notification purposes provided for in 45 C.F.R. §164.510 of the Privacy Rules; (v) for national security or intelligence purposes; (vi) to correctional institutions or law enforcement officials; (vii) as part of a limited data set in accordance with 45 C.F.R § 164.514(e) of the Privacy Rules; or (viii) made prior to effective date of the Privacy Rules.

(b) Temporary Suspension. Business Associate may temporarily suspend an individual's right to receive an accounting of disclosures made to a health oversight agency or law enforcement official if the accounting would be reasonably likely to impede the agency's or official's activities. The right may only be suspended if the relevant agency or official provides Business Associate with a written or oral statement specifying such impediment and the time for which the suspension is required. If this statement is an oral statement, Business Associate will document the oral statement, including the identity of the agency or official making the statement; temporarily suspend the right to an accounting subject to the statement; and limit the suspension to no more than 30 days from the date of the oral statement unless a written statement is submitted during that time period.

(c) Content of the Accounting. Subject to the other provisions of this Section 3.9, Business Associate will, upon request, provide a written accounting of disclosures of PHI for any requested period of less than six years prior to the date of the request. This accounting will include: date of disclosure; name and address of the recipient of the PHI; a brief description of the PHI disclosed; and the purpose of the disclosure. In lieu of a description of the purpose of the disclosure, Business Associate may provide a copy of the written request for a disclosure pursuant to a DHHS investigation or as permitted by 45 C.F.R. § 164.512. If Business Associate makes multiple disclosures of PHI to the same person or entity for a single purpose, the accounting prepared by Business Associate need only include complete information for the first disclosure, and the frequency or number, including the date of the last such disclosure, for subsequent disclosures.

(d) Administrative Requirements. Business Associate will act on the

individual's request for an accounting no later than 60 days after the earlier of either Business Associate's or Plan's receipt of such request (provided that if the request is submitted to the Plan the Plan forwards the request to Business Associate in time for Business Associate to provide the accounting or otherwise respond). Business Associate may have one additional extension for up to 30 days if it provides the individual with a written statement of the reason for the delay and the date by which the accounting will be provided. The first accounting requested in any 12-month period will be provided free of charge, but each subsequent request made within that same period will be charged a cost-based fee for completing the requested accounting. Business Associate will inform the individual of such fee in advance and provide the individual with the opportunity to withdraw or modify the request for a subsequent accounting.

(e) Documentation. In accordance with the Privacy Rules, Business Associate will document the following: (i) the information required to be included in the accounting under Section 3.9(c) for disclosures of PHI; (ii) the written accounting that is provided to the individual under this Section 3.9; (iii) the titles of the persons or offices responsible for receiving and processing requests for an accounting by individuals; and (iv) copies of all communications required to be in writing under the Privacy Rules. Business Associate will retain the documentation for six years from the date of its creation or the date when it was last in effect, whichever is later. Business Associate will periodically provide the Plan with a written summary of the details of its handling of requests for accounting under this Section 3.9 (including the timing of Business Associate's response). Additionally, Business Associate will inform the Plan of the titles of the persons or offices responsible for receiving and processing such requests.

3.10 **Third-Party Requests.** If Business Associate receives a request from a third party for PHI, Business Associate will be responsible for handling such request and will notify the Plan of such request in compliance with the terms of this Agreement and the Privacy Rules.

ARTICLE IV

RIGHTS, DUTIES AND OBLIGATIONS OF PLAN REGARDING PHI

4.1 **Responsibilities of Plan Regarding Uses and Disclosures by Business Associate.** The Plan agrees:

(a) Upon request of Business Associate, to inform Business Associate of any changes in the Plan's Privacy Notice that the Plan provides to individuals pursuant to 45 C.F.R. § 164.520 of the Privacy Rules, and to provide Business Associate with a copy of the Privacy Notice currently in use;

(b) To inform Business Associate of any changes in, or withdrawal of, the consent, if any, or authorization provided to the Plan by individuals pursuant to 45 C.F.R. § 164.506 or § 164.508 of the Privacy Rules;

(c) To notify Business Associate, in writing and in a timely manner, of any arrangements permitted or required of the Plan under the Privacy Rules that may affect, in any manner, the use or disclosure of PHI by Business Associate under this Agreement, including, but not limited to, restrictions on the use or disclosure of PHI as provided for in 45 C.F.R. § 164.522 of the Privacy Rules agreed to by the Plan; and

(d) If the Plan directly receives a request from a third party for PHI in possession of Business Associate, the Plan will forward the request to Business Associate, as appropriate, and Business Associate will process the request in accordance with this Agreement and the Privacy Rules.

ARTICLE V

TERM AND TERMINATION

5.1 **Term.** This Agreement will become effective as described in Article I, and will continue in effect until all obligations of the parties pursuant to the Agreement have been met, unless terminated as provided in this Article V. In addition, certain provisions and requirements of this Agreement will survive its expiration or other termination, as described elsewhere in this Agreement.

5.2 **Termination by the Plan.** The Plan may immediately terminate this Agreement if the Plan, in the sole discretion of City of Roanoke, determines that Business Associate has breached a material term of the Agreement. Alternatively, the Plan, at its option and within its sole discretion, may choose to:

(a) Take steps to cure the breach; and, in the event of such cure, elect to keep this Agreement in force.

(b) Provide Business Associate with an opportunity to cure the alleged material breach upon mutually agreeable terms. Nonetheless, in the event that mutually agreeable terms cannot be achieved within 20 days, Business Associate will cure the breach to the satisfaction of Plan within 10 days. Failure to cure in the manner set forth in this Section 5.2 is grounds for the immediate termination of the Agreement.

5.3 **Termination by Business Associate.** If Business Associate makes the determination that a material condition of performance has changed under the Agreement, or that the Plan or City of Roanoke has breached a material term of the Agreement, Business Associate may provide thirty (30) days' notice of its intention to terminate the Agreement. Business Associate agrees, however, to cooperate with the Plan or City of Roanoke, or both, to find a mutually satisfactory resolution to the matter prior to terminating the Agreement. Business Associate further agrees that, notwithstanding this provision, it will not terminate this Agreement so long as the service arrangement with the Plan (or City of Roanoke, on behalf of the Plan) is in effect.

5.4 **Effect of Termination.** Upon termination under this Article V, Business Associate will return or destroy all confidential information, including PHI, relating to the Plan that Business Associate still maintains in any form and retain no copies of such relating to the Plan; or, if such return or destruction is not feasible, extend the protections of this Agreement to such information, including any information in the possession of Business Associate's subcontractors or agents, for as long as it retains such information and limit further uses and disclosures to those purposes needed to fulfill its obligations under this Agreement and the Privacy Rules.

ARTICLE VI

INDEMNIFICATION

6.1 **Indemnification of Plan.** Business Associate, its respective directors, officers, subcontractors, agents or other members of its workforce ("Business Associate Indemnitors"), agree to indemnify, defend and hold harmless the Plan and all members of its workforce (together, the "Plan Indemnitees") and City of Roanoke and its respective directors, officers, subcontractors, agents or other members of its workforce (together, the "Interstate Brands Indemnitees"), against any and all claims, demands, losses, costs, expenses, obligations, liabilities, actions, suits, damages and deficiencies (including, without limitation, all costs and reasonable attorneys' fees) that arise out of or are proximately caused by:

(a) Business Associate Indemnitors' breach of this Agreement, including, without limitation, the failure of Business Associate Indemnitors to perform their

obligations with respect to PHI, or by any use or disclosure of PHI by Business Associate Indemnitors that is not permitted under this Agreement; or

(b) Any warranty hereunder or from any negligence or wrongful acts or omissions, including failure to perform its obligations under the Privacy Rules, by Business Associate Indemnitors.

Accordingly, on demand, Business Associate Indemnitors will reimburse any Plan Indemnitees or City of Roanoke Indemnitees for any and all actual and direct losses, liabilities, fines, penalties, costs or expenses (including, without limitation, all costs and reasonable attorneys' fees), which may for any reason be imposed upon any Plan Indemnitees or City of Roanoke Indemnitees by reason of any suit, claim, action, proceeding or demand by any third party which results from or is proximately caused by Business Associate Indemnitors' breach hereunder. The Plan will provide prompt written notice of, and information and assistance (at Business Associate Indemnitors' expense), as reasonably requested by Business Associate, in the defense of such claim, suit or proceeding.

6.2 **Plan and City of Roanoke's Indemnification of Business Associate.** To the extent permitted by applicable law, the Plan and all members of its workforce (together, the "Plan Indemnitors") and City of Roanoke and its respective directors, officers, subcontractors, agents or other members of its workforce (together, the "City of Roanoke Indemnitors"), agree to indemnify, defend and hold harmless Business Associate, its respective directors, officers, subcontractors, agents or other members of its workforce (together, the "Business Associate Indemnitees"), against any and all claims, demands, losses, costs, expenses, obligations, liabilities, actions, suits, damages and deficiencies (including, without limitation, all costs and reasonable attorneys' fees) that arise out of or are proximately caused by:

(a) Plan Indemnitors' or City of Roanoke Indemnitors' breach of this Agreement, including, without limitation, the failure of Plan Indemnitors or City of Roanoke Indemnitors to perform their obligations with respect to PHI, or by any use or disclosure of PHI by the Plan Indemnitors or City of Roanoke Indemnitors that is not permitted under this Agreement; or

(b) Any warranty hereunder or from any negligence or wrongful acts or omissions, including failure to perform its obligations under the Privacy Rules, by Plan Indemnitors or City of Roanoke Indemnitors or their directors, officers, subcontractors, agents or other members of their workforce.

Accordingly, on demand, Plan Indemnitors or City of Roanoke Indemnitors will reimburse any Business Associate Indemnitees for any and all actual and direct losses, liabilities, fines, penalties, costs or expenses (including, without limitation, all costs and reasonable attorneys' fees), which may for any reason be imposed upon any Business Associate Indemnitees by reason of any suit, claim, action, proceeding or demand by any third party which results from or is proximately caused by Plan Indemnitors' or City of Roanoke Indemnitors' breach hereunder. Business Associate will provide prompt written notice of, and information and assistance (at Plan Indemnitors' or City of Roanoke Indemnitors' expense), as reasonably requested by City of Roanoke, in the defense of such claim, suit or proceeding.

6.3 The obligation to indemnify any party under either Section 6.1 or 6.2 will survive the expiration or termination of this Agreement for any reason.

ARTICLE VII

ADDITIONAL OBLIGATIONS

7.1 **Minimum Necessary Representations.** Business Associate represents that all of its requests for disclosure of PHI will be the minimum necessary for the stated purpose to be accomplished. Additionally, where this Agreement and the Privacy Rules allow Business Associate to disclose PHI received or maintained for or on behalf of the Plan, Business Associate will disclose only the minimum PHI necessary to perform or fulfill a specific function required or permitted hereunder; provided, however, that if under the Privacy Rules the minimum necessary standard does not apply, this Section does not apply to the disclosure of PHI in such a circumstance. Where the Privacy Rules permit Business Associate to assume that the amount of PHI requested is the minimum amount necessary, nothing in this Agreement shall be construed to impose a greater restriction upon Business Associate.

7.2 **Right to Cure.** The Plan hereby preserves the right to cure a breach by Business Associate. Neither the Plan's exercise of this right, nor its ability to cure the breach, will affect Plan's right to terminate this Agreement or seek any other remedies.

7.3 **Data Ownership.** All PHI provided by, or created or received by, Business Associate for or on behalf of the Plan in the performance of this Agreement is the sole property of the Plan.

7.4 **Controlling Responses to Subpoenas.** Notwithstanding any other Section of this Agreement, the parties hereby agree that the Plan will control responses to subpoenas or any other discovery request or judicial or administrative order directing or mandating that Business Associate disclose PHI that Business Associate has received or maintains for or on behalf of the Plan.

7.5 **Injunctive Relief.** Business Associate acknowledges that its disclosure of any PHI without the Plan's prior written consent (as demonstrated through this Agreement or other written document) would cause continuing, substantial, and irreparable injury to the Plan and that the Plan's remedies at law for such disclosure will not be adequate. Accordingly, Business Associate agrees that the Plan will be entitled to immediate injunctive relief against the breach or threatened breach of the foregoing undertakings by Business Associate, and that such rights will be in addition to, and not in limitation of, any other rights or remedies to which the Plan may be entitled at law or equity.

7.6 **Availability of Business Associate Records.** Business Associate will make its internal practices, books, and records relating to the use and disclosure of PHI received from, or created or received by Business Associate for or on behalf of the Plan, available to the Secretary of Health and Human Services or to Plan, upon request, for purposes of determining and facilitating the Plan's compliance with the Privacy Rules.

ARTICLE VIII **MISCELLANEOUS**

8.1 **City of Roanoke.** For purposes of this Agreement, "City of Roanoke" will mean City of Roanoke, its affiliates and subsidiaries, individually and together, and any other corporation, trade or business that participates in one or more of the plans listed in Attachment A.

8.2 **Exclusion from Limitation of Liability.** Any damages, including any indirect or consequential damages, arising directly or indirectly from the breach of obligations under this Agreement or any other terms or conditions related to HIPAA, including PHI use, disclosure and data privacy, security, and confidentiality obligations, are excluded from any limitations on the liability of Business Associate under its service arrangement with the Plan, or under any other agreement.

8.3 **Survival.** The respective rights and obligations of Business Associate and the Plan under the provisions of this Agreement, with respect to PHI, will survive the termination of this Agreement indefinitely.

8.4 **Amendments; Waiver.** This Agreement may not be modified, nor will any provision hereof be waived or amended, except in a writing duly signed by authorized representatives of the parties. A waiver with respect to one event will not be construed as continuing or as a bar to, or waiver of, any right or remedy as to subsequent events.

8.5 **Disputes.** If any controversy, dispute or claim arises between the parties with respect to this Agreement, they will make good-faith efforts to resolve such matters informally.

8.6 **Compliance with Laws.** Business Associate will comply with all applicable federal, state and local laws, rules, and regulations, including, without limitation, the requirements of the Privacy Rules. Business Associate agrees to comply with all Privacy Rules requirements applicable to Business Associate as a covered entity and/or a business associate of the Plan.

8.7 **Compliance Amendment.** Business Associate agrees to accept amendments to this Agreement that Plan deems necessary for the Plan's compliance with applicable federal laws and regulations governing the use or disclosure of individually identifiable health information.

8.8 **Regulatory References.** A reference in this Agreement to a section in the Privacy Rules means the section as in effect or as amended.

8.9 **Interpretation.** Any ambiguity in this Agreement will be resolved to permit a covered entity to comply with the Privacy Rules.

8.10 **Controlling Law.** This Agreement will be construed under the laws of the Commonwealth of Virginia to the extent federal law does not govern the construction of this Agreement.

8.11 **Application.** This Agreement may be adopted in this format, or it may be appended to an existing service agreement with Business Associate, or its terms inserted into an existing service agreement with Business Associate. Where the terms of an existing service agreement provide that it represents the parties' complete agreement, Business Associate agrees that such representation does not affect the validity of this Agreement, and specifically agrees to be bound hereby notwithstanding such representation.

IN WITNESS WHEREOF, each of the undersigned has caused this Agreement to be duly executed in its name and on its behalf, effective as of the ____ day of _____, 200__.

ANTHEM HEALTH PLANS OF VIRGINIA

By: _____

Title: _____

Date: _____

**CITY OF ROANOKE for and on behalf of
CITY OF ROANOKE
EMPLOYEE HEALTH CARE PLAN**

IN THE COUNCIL OF THE CITY OF ROANOKE, VIRGINIA

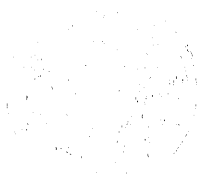
AN RESOLUTION authorizing the City Manager to enter into a Business Associate Agreement with Anthem Health Plans of Virginia, Palmer & Cay Consulting Group, Ceridian Corporation, Delta Dental and to amend the health care plan, dental plan and flexible spending account plans to include the HIPAA privacy requirements.

BE IT RESOLVED by the Council of the City of Roanoke as follows:

1. The City Manager and the City Clerk are hereby authorized to execute and attest, respectively, a Business Associate Agreement with Anthem Health Plans of Virginia, Palmer & Cay Consulting Group, Ceridian Corporation, Delta Dental and to amend the health care plan, dental plan and flexible spending account plans to include the HIPAA privacy requirements all as more fully set forth in the report of the City Manager dated April 7, 2003.
2. Such agreements and amendments to be approved as to form by the City Attorney.

ATTEST:

City Clerk.



CITY OF ROANOKE OFFICE OF THE CITY MANAGER

Noel C. Taylor Municipal Building
215 Church Avenue, S.W., Room 364
Roanoke, Virginia 24011-1591
Telephone: (540) 853-2333
Fax: (540) 853-1138
CityWeb: www.roanokegov.com

April 7, 2003

Honorable Ralph K. Smith, Mayor
Honorable C. Nelson Harris, Vice Mayor
Honorable William D. Bestpitch, Council Member
Honorable William H. Carder, Council Member
Honorable M. Rupert Cutler, Council Member
Honorable Alfred T. Dowe, Jr., Council Member
Honorable Linda F. Wyatt, Council Member

Dear Mayor Smith and Members of City Council:

Subject: Well Development Program –
Contract Change Order, Land
Option Purchase and Budget
Adjustment

As part of the City's drought response from last summer, various locations were identified as possible drinking water well sites to increase the City's water supply. The Utility Department has sought the development and implementation of seven high-yielding wells that exist primarily on City property. Although the water emergency is currently over, these water supply projects are at various stages of completion.

To date, the Utility Department has expended or committed capital costs and services in the amount of \$427,302 on a contract with Golder Associates Inc. for well site exploration, testing, drilling and development. A contract change order in the amount of \$369,835 is required to complete the work which, in addition to the well construction, includes a preliminary design report for a well water softening system.

An option agreement to purchase a portion of the property located at 1905 Riverdale Road, S.E., Roanoke, Virginia, from a private individual to be used as a well site has been agreed to by the landowner. The cost of the option is \$2,000, which will be applied to the purchase price of \$20,000, if the City elects to purchase the property. Purchase of the site will only occur if a well can be

successfully completed at the site. The City is responsible for closing the test well and restoring the site if the option agreement is not exercised.

Funding has previously been approved for these purposes and is available in capital account 002-530-8408-9003.

With the recent water rate increase, additional revenue in the amount of \$300,000 may be estimated for FY03. Certain professional consulting services, such as rate studies and appraisals, will be needed to assist in the creation of the regional water and wastewater authority. This additional revenue is recommended for appropriation for such purposes.

Recommended Action:

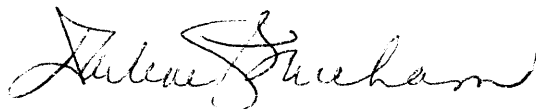
Authorize the City Manager to execute a change order in the amount of \$369,835 to the existing contract with Golder Associates Inc. of Richmond, Virginia to provide the above consulting and well drilling services, and provide consulting services for a preliminary engineering report for a well water softening system.

Authorize the City Manager to execute an option agreement to purchase the above mentioned well site property, and subsequent documents to purchase such property if such option is exercised.

Authorize the City Manager to take such further action and execute such further documents as may be necessary to implement and administer the above mentioned work and, if appropriate, other necessary documents in order to acquire the above mentioned well site property.

Increase revenue estimates for fiscal year 03 by \$300,000 as follows: (1) Commercial \$113,743; (2) Industrial \$14,645; (3) Domestic \$171,612. Appropriate \$100,000 into capital account 002-530-8408-9003, well construction. Appropriate \$200,000 for consulting services to assist with the creation of the regional water and sewer authority into an account established by the Director of Finance in the Water Fund.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Darlene L. Burcham', written in a cursive style.

Darlene L. Burcham
City Manager

The Honorable Mayor and Members of Council
Well Development Program – Contract Amendment
April 7, 2003
Page 3

DLB/mtm

Attachment

c: Jesse Hall, Director of Finance
 William M. Hackworth, City Attorney
 Mary F. Parker, City Clerk
 George C. Snead, Jr., Assistant City Manager for Operations
 Michael McEvoy, Director of Utilities

CM03-0055



CITY OF ROANOKE

OFFICE OF THE CITY MANAGER

Noel C. Taylor Municipal Building
215 Church Avenue, S.W., Room 364
Roanoke, Virginia 24011-1591
Telephone: (540) 853-2333
Fax: (540) 853-1138
CityWeb: www.roanokegov.com

April 7, 2003

Honorable Ralph K. Smith, Mayor
Honorable C. Nelson Harris, Vice Mayor
Honorable William D. Bestpitch, Council Member
Honorable William H. Carder, Council Member
Honorable M. Rupert Cutler, Council Member
Honorable Alfred T. Dowe, Council Member
Honorable Linda F. Wyatt, Council Member

Dear Mayor Smith and Members of City Council:

Subject: Update on Well
Development Program

As part of the City's response to last summer's drought, a plan was developed to supplement the City's water supply resources in the event that the Carvins Cove Reservoir became unable to sustain operations. The goal was to develop sufficient firm capacity to meet the City's average annual water demand of 15 million gallons a day (mgd) and its summertime peak demand of 18 mgd through restoration of existing sources such as Crystal Spring, water purchases from other localities, and development of ground water such as the well at Muse Spring. Demand management tools such as conservation education and water restrictions were also key elements, especially in reduction of the peak seasonal consumption. This summer's drought demonstrated that demand measures could reduce peaks by 3 mgd, reducing the need to find additional water beyond 15 mgd. Below is a summary of the City's current water resource capacity:

| Source | Plant Capacity (mgd) | Water Resource (mgd) |
|---------------------------------|----------------------------|----------------------------|
| Carvins Cove Treatment Plant | 28 | 15* |
| Crystal Spring Filtration Plant | 5 | 3.0 to 4.0** |
| Falling Creek Treatment Plant | 1 | 1 |

| | | |
|--|-----|----|
| Muse Spring Well | 1 | 1 |
| Water Purchases – City of Salem | --- | 2 |
| Water Purchases – Roanoke County | --- | 4 |
| Subtotal w/o Carvins Cove | | 11 |
| * - Under review as part of the Long Range Water Supply Plan | | |
| ** - Varies with Climatic Conditions | | |

Groundwater exploration was selected to make up the remaining 4 mgd deficit. Various locations were identified for development of drinking water wells. Five high-yielding wells on City property were identified along with one well on a private site. Although the drought is currently over, the emergency water supply projects are at various stages of completion. Listed below is a summary of the 6 well locations plus information on the Muse Spring well.

| Well Location | Capacity | Notes |
|--------------------------|----------|--|
| Muse Spring | 1 mgd | Operational under temporary permit. |
| Fire Station No. 8 | 0.7 mgd | Drilled. Awaiting pump installation and treatment study. |
| Riverside Sports Complex | 1.4 mgd | Drilled. Awaiting pump installation and treatment study. |
| Garden City Blvd No. 1 | >1.4 mgd | Drilled. |
| Garden City Blvd No. 2 | >1 mgd* | Drilling ready to proceed. |
| Garden City Blvd No. 3 | >1 mgd* | Drilling ready to proceed. |
| Riverdale (private) | 0.5 mgd* | Option negotiated. Drilling ready to proceed. |

* - estimated capacity

Muse Spring well – This well was completed, given conditional approval by the Virginia Department of Health (VDH), and has been in service with a consistent yield of 1 mgd. Conditional approval expires July, 2003. Utilities Department staff is in discussions with VDH about continued use of the well as VDH has signaled its intention to require the installation of a storage tank for increased disinfection efficiency. The original Muse Spring site design called for two wells with a small building to house chemical feed and control equipment and a storage tank. VDH routinely permits well systems without any disinfection if certain biological tests indicate no contaminants of concern such as in the case of the Muse Spring well. Although not required, the City added chlorine disinfection as an additional safeguard. Recent discussions indicate that a compromise can be reached, which is positive as the costs associated with a storage tank are significant.

Fire Station # 8 and Riverside Sports Complex wells – These wells are intended to provide supplemental flow for Crystal Spring, to fully utilize the new filtration plant's treatment capacity. The wells have been drilled and exceeded capacity goals. Pump installation has been delayed however pending a decision regarding the need for additional treatment. Initial testing of the wells demonstrated much better biological water quality than expected - it was anticipated that these wells would be surface-water influenced like Crystal Spring. Chemical testing, however, showed elevated levels of hardness. Hardness is a measure of the calcium and magnesium in water, and while not a health concern, it does affect such items as detergent usage (in general, the harder the water, the more detergent needed) and scale formation on surfaces such as water heaters. Utilities staff initially had concerns that harder water may shorten the filter life at Crystal Spring but additional testing and evaluation by the filter manufacturer have concluded it would have no effect other than to increase filter cleaning.

The City's existing water supplies vary greatly with regard to hardness. Falling Creek is considered very soft water, while Carvins Cove is considered to be of average hardness. Crystal Spring, Muse Spring and Roanoke County's Spring Hollow are rated as moderately hard waters. Because the addition of the well water at Crystal Spring would increase the hardness, a preliminary engineering study has been proposed to determine if these effects would be significant and if so, what treatment might be installed to reduce hardness levels.

Three treatment options are currently available for reducing hardness: ion exchange, lime softening, and nanofiltration. Ion exchange is the method of choice for small systems but is unlikely to be practical for the volume of water the City would need to treat. Lime softening is very popular but lime softening plants are typically quite large. It is likely that the space requirements needed would be too great. Additionally, both ion exchange and lime softening require handling of bulk volumes of chemicals. Nanofiltration uses membranes to "filter" dissolved compounds from water, similar to reverse osmosis processes. It is quite effective at reducing hardness and has been used in a number of locations, but would be expensive to construct and operate.

Preliminary indications are that softening the Fire Station No. 8 and Sports Complex wells will not be required; however, some treatment adjustments to the finished water from Crystal Spring may be needed to limit the effects of increased hardness. It is likely that these wells could be run for summer peak demands and conserved during the winter months. Space is available at the Crystal Spring site to install a nanofiltration plant should that become necessary. Finally,

the Sports Complex well will also be available for irrigation of the adjacent athletic fields.

Garden City Boulevard well No. 1 – This well has been drilled, cased, and grouted. Well construction was especially difficult because of the area's fractured rock formation. Several test wells were drilled until a viable location was achieved. The quantity of water produced was significantly higher than expected however. Pump tests after drilling produced greater than 1.4 mgd of flow with very little drawdown in water levels. It is expected that this well could yield as much as 2 mgd under the right pumping conditions. Chemical water tests were good but initial biological tests indicated that the water may be surface-water influenced similar to Crystal Spring. This would require the installation of filtration equipment. As with the Sports Complex well, this well could also be used for irrigation of athletic fields.

Garden City Boulevard wells Nos. 2 & 3 – The geologic testing completed to date suggests that two additional wells can be drilled along Garden City Boulevard. Capacities of these wells are expected to be at least 1 mgd each. However, based upon the experience with well No. 1, it is likely that these wells could also be surface influenced. This would require a filter treatment facility similar to Crystal Spring.

Utilities Department staff recommends that these two additional wells be constructed and maintained until such time as a treatment facility can be built. With the high yield achieved in well No. 1 and the expected yields likely out of wells 2 & 3, a treatment facility combining all three wells could rival the production of Crystal Spring. Property is available at the Muse Spring site to construct such a facility. Water from the Garden City Boulevard wells could be piped to this location, possibly combined with the water from the Muse Spring well and filtered using the same technology as at Crystal Spring. The estimated cost to build such a facility is \$3 to \$5 million.

Formation of the Regional Water and Wastewater Authority with Roanoke County may make construction of such a facility unnecessary. However, in the event that a treatment facility is not built, the wells could be used on an emergency basis with leased filtration equipment.

Riverdale well – This well site is located on private land. A final access and property option agreement has been reached between the City and the property owner. Exploratory test drilling is set to begin as soon as the agreement is executed. If water quantity yields and water quality testing is satisfactory, the City would purchase a well lot from the owner at a cost of \$20,000. It is believed

that a well at this location would not require treatment other than disinfection. Again, if the testing indicated the water was surface-water influenced, the water could be piped to the proposed filtration plant.

Cost Summary

To date, the Utilities Department has expended capital in the amount of \$472,302.00 for well site exploration, testing, drilling and development. This includes:

| | |
|---|--------------|
| Exploration for Crystal well sites | \$ 14,500.00 |
| Well Drilling and Construction of Crystal wells (2 wells) | \$117,340.00 |
| Well Testing (2 wells) | \$ 35,480.00 |
| Wellhead Facility Design & Construction (2 wells; not yet completed) | \$104,000.00 |
| Piping to Connect to Crystal Spring (2 wells; not yet complete) | \$ 45,000.00 |
| Final Hydrogeologic Report (2 wells) | \$ 7,500.00 |
| Regional Groundwater Development Study | \$ 26,500.00 |
| Garden City Well No. 1 (includes testing) | \$121,982.00 |
| Subtotal | \$472,302.00 |

An additional \$371,835 is expected as follows:

| | |
|--|--------------|
| Preliminary Engineering Report for Well Water Softening Systems | \$ 10,960.00 |
| Abandonment of previous Test Wells | \$ 3,900.00 |
| Site Restoration | \$ 4,275.00 |
| Garden City Well #2 (includes testing) | \$110,650.00 |
| Garden City Well #3 (includes testing) | \$110,650.00 |
| 5-Day Multiple Well Test (all 3 wells operating together) | \$ 34,700.00 |
| Riverdale Well (includes testing) | \$ 94,700.00 |
| Option Agreement | \$ 2,000.00 |
| Subtotal | \$371,835.00 |

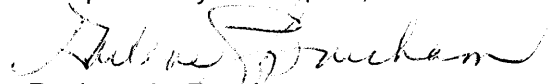
| | |
|-------------------------------|--------------|
| Total of All Projects to Date | \$844,137.00 |
|-------------------------------|--------------|

Funding is available for completion of these tasks; in addition, funding is available in the amount of \$85,000 that would be anticipated should the Riverdale well be successful for land purchase, pump installation, disinfection

equipment and piping. A storage tank for the Muse Spring well, if required, would run approximately \$300,000. This amount is not currently funded.

Other Water Supply Considerations - As stated previously, the formation of the Regional Water and Wastewater Authority with Roanoke County has some bearing on well development. The Authority will be working to increase interconnections between the two localities' distribution systems, possibly making the need for additional wells unnecessary. However, the Long Range Water Supply Planning Study is likely to identify water capacity deficits for the combined City and County systems. Groundwater can be a significant and cost effective alternative to future surface water projects.

Respectively submitted,



Darlene L. Burcham
City Manager

DLB/mtm

c: Jesse Hall, Director of Finance
William M. Hackworth, City Attorney
Mary F. Parker, City Clerk
George C. Snead, Jr., Assistant City Manager for Operations
Michael McEvoy, Director of Utilities

IN THE COUNCIL OF THE CITY OF ROANOKE, VIRGINIA

AN ORDINANCE to amend and reordain certain sections of the 2002-2003 Water Fund Appropriations, and dispensing with the second reading by title of this ordinance.

BE IT ORDAINED by the Council of the City of Roanoke that certain sections of the 2002-2003 Water Fund Appropriations be, and the same are hereby, amended and reordained to read as follows, in part:

Appropriations

| | |
|---|--------------|
| Capital Outlay | \$ 9,361,522 |
| Crystal Springs Well Supplements (1) | 1,239,720 |
| Consulting Services for Authority (2) | 200,000 |

Revenues

| | |
|----------------------------|--------------|
| Operating | \$13,688,295 |
| Commercial Sales (3) | 4,766,609 |
| Industrial Sales (4) | 739,053 |
| Domestic Sales (5) | 4,357,633 |

| | | |
|----------------------|---------------------|------------|
| 1) Appropriated from | | |
| General Revenue | (002-530-8408-9003) | \$ 100,000 |
| 2) Appropriated from | | |
| General Revenue | (002-530-8415-9003) | 200,000 |
| 3) Commercial Sales | (002-110-1234-0901) | 113,743 |
| 4) Industrial Sales | (002-110-1234-0902) | 14,645 |
| 5) Domestic Sales | (002-110-1234-0903) | 171,612 |

Pursuant to the provisions of Section 12 of the City Charter, the second reading of this ordinance by title is hereby dispensed with.

ATTEST:

City Clerk.

P.T.

IN THE COUNCIL OF THE CITY OF ROANOKE, VIRGINIA,

AN ORDINANCE authorizing the City Manager's issuance of Change Order No. 2 to the City's contract with Golder Associates Inc. for ground water exploration investigation and work in connection with developing more additional sources of water to increase the City's water supply; and dispensing with the second reading by title of this ordinance.

BE IT ORDAINED by the Council of the City of Roanoke that:

1. The City Manager is authorized to execute for and on behalf of the City, in a form approved by the City Attorney, Change Order No. 2 to the City's contract with Golder Associates Inc. for ground water exploration investigation and work in order to provide the City with more additional sources of water, all as more fully set forth in the City Manager's letter to Council dated April 7, 2003.
2. This Change Order will provide authorization for additions to the work with an increase in the amount of \$369,835.00 to the contract, all as set forth in the above letter.
3. Pursuant to the provisions of Section 12 of the City Charter, the second reading of this ordinance by title is dispensed with.

ATTEST:

City Clerk.



WILLIAM M. HACKWORTH
CITY ATTORNEY

CITY OF ROANOKE
OFFICE OF CITY ATTORNEY
464 MUNICIPAL BUILDING
215 CHURCH AVENUE, SW
ROANOKE, VIRGINIA 24011-1595

TELEPHONE: 540-853-2431
FAX: 540-853-1221
EMAIL: cityatty@ci.roanoke.va.us

April 7, 2003

ELIZABETH K. DILLON
STEVEN J. TALEVI
GARY E. TEGENKAMP
DAVID L. COLLINS
HEATHER P. FERGUSON
ASSISTANT CITY ATTORNEYS

The Honorable Mayor and Members
of City Council
Roanoke, Virginia

Re: Director of Real Estate Valuation

Dear Mayor Smith and Council Members:

During Council's meeting on March 3, 2003, I was requested to prepare the necessary ordinance to amend the City Code to provide that the Director of Real Estate Valuation be appointed by and report to the Director of Finance, rather than being appointed by and reporting directly to City Council, effective August 1, 2003.

The requested ordinance is attached for your consideration. It has been reviewed and approved by Mr. Hall and by Mr. Claytor. While there are references in the City Code to the Director of Real Estate Valuation in addition to the two that would be amended by the attached ordinance, it is not necessary to amend them.

Please let me know if you have any questions about this matter.

With kindest personal regards, I am

Sincerely yours,

William M. Hackworth
City Attorney

WMH:f

Attachment

cc: Darlene L. Burcham, City Manager
Jesse A. Hall, Director of Finance
Willard N. Claytor, Director of Real Estate Valuation
Mary F. Parker, City Clerk

IN THE COUNCIL OF THE CITY OF ROANOKE, VIRGINIA,

AN ORDINANCE amending and reordaining §32-37, Appointment and term, and §32-37.1, General powers and assistants, of Chapter 32, Taxation, Code of the City of Roanoke (1979), as amended, in order to change the method of appointment of the Director of Real Estate Valuation, placing the Office of Real Estate Valuation under the control of the Director of Finance; providing for an effective date; and dispensing with the second reading of this ordinance.

BE IT ORDAINED by the Council of the City of Roanoke as follows:

1. Section 32-37, Appointment and term, and §32-37.1, General powers and assistants, of Chapter 32, Taxation, Code of the City of Roanoke (1979), as amended, is hereby amended and reordained to read and provide as follows:

§32-37. Appointment.

The director of real estate valuation shall be appointed by the director of finance, and shall be included in the City's pay and classification plan.

§32-37.1. General powers.

The director of real estate valuation shall be the administrative head of the office of real estate valuation, and shall be responsible to the director of finance for the effective administration of such office. The director of real estate valuation shall have responsibility for the general management and control of the assessment of real estate for taxation.

2. This ordinance shall be in full force and effect on August 1, 2003.
3. Pursuant to the provisions of §12 of the City Charter, the second reading of this ordinance by title is hereby dispensed with.

ATTEST:

City Clerk.



CITY OF ROANOKE

DEPARTMENT OF FINANCE

215 Church Avenue, S.W., Room 461

P.O. Box 1220

Roanoke, Virginia 24006-1220

Telephone: (540) 853-2821

Fax: (540) 853-6142

JESSE A. HALL

Director of Finance

email: jesse_hall@ci.roanoke.va.us

ANN H. SHAWVER

Deputy Director

email: ann_shawver@ci.roanoke.va.us

April 7, 2003

The Honorable Ralph K. Smith, Mayor
 The Honorable C. Nelson Harris, Vice Mayor
 The Honorable William D. Bestpitch, Council Member
 The Honorable William H. Carder, Council Member
 The Honorable M. Rupert Cutler, Council Member
 The Honorable Alfred T. Dowe, Jr., Council Member
 The Honorable Linda F. Wyatt, Council Member

Dear Mayor Smith and Members of City Council:

SUBJECT: February Financial Report

This financial report covers the first eight months of the 2002-2003 fiscal year. The following narrative discusses revenues and expenditures to date.

REVENUE

General fund revenues are up 2.48% or \$2,181,000 compared to the same period last year. Variances in specific categories of revenues are as follows:

General Property Taxes increased 6.32% or \$1,646,000. Real estate taxes increased 4.98% and achieved 51.97% of the estimate. Increased property values resulting from the annual reassessment program and new construction contributed to the growth in this category. These increases were partially offset by a decline in public service corporation taxes, due to a decrease in real estate assessments of public service corporation tax, as well as an increase in the number of refunds in FY03. Personal property tax has declined, however, the majority of this tax will be collected near the end of the fiscal year as the annual assessments become due. Penalties and interest also declined.

Other Local Taxes increased 3.03% or \$946,000. Electric utility consumer tax, which is based on usage, was down due to a timing difference in collections. Removing the effect of this timing difference, electric utility consumer tax revenue increased 5.22% due a warmer than normal summer and colder winter weather. Sales tax revenues were up 0.7% from the prior year at February 28th, however, inclusive of the mid-March collection, representing retail sales activity for the month of January, collections have increased 1.55% on a year-to-date basis. Cellular phone tax revenue has increased due to efforts to ensure service providers correctly remit revenues to the proper jurisdictions. Business and professional occupational license (BPOL) tax, which was due March 1, increased from the prior year due to earlier collections. For the year, BPOL tax revenues, which are based on gross receipts, are expected to be slightly lower than the prior year.

Permits, Fees and Licenses declined 15.14% or \$102,000. Permit valuations for commercial projects during the first eight months of the current fiscal year were lower than the same period in the prior year, having a negative impact on building, plumbing and heating inspection fees. In addition, the number of building permits issued for commercial and residential projects has declined. Elevator inspection has been privatized with the majority of fees paid directly to a third

party, causing a decline in elevator inspection revenues. There was also an expenditure decline related to this privatization effort.

Fines and Forfeitures increased 19.27% or \$138,000. Parking ticket revenue was up almost \$109,000 from the prior year. In late fall of the prior year, the ticketing function was civilianized. As a result, the number of parking tickets issued increased substantially. Also, the penalty for late payment of parking tickets was increased effective July 1, 2002, generating additional parking ticket revenue. General District Court fines were up due to an increased caseload, much of which was related to the increased number of parking tickets.

Grants-in-Aid-Commonwealth decreased 2.36% or \$576,000. As anticipated, jail block grant, funds received under HB 599 for law enforcement and funding received under the Virginia Juvenile Community Crime Control Act decreased. Removing the effect of timing differences, reimbursement received from the Compensation Board for shared expenses of the constitutional offices declined 2.6% or \$119,000. These decreases are partially offset by an increase in social services revenue.

Charges for Services increased 14.74% or \$359,000. Several new fees were authorized by the 2002 General Assembly and were effective July 1, 2002, including a courthouse security fee, inmate processing fee and DNA sampling fee. Circuit Court Clerk fees were up due to an increase in the number of deeds recorded and the recording of deeds for a number of high value property sales in the current year. An increase in caseload and an increase in the value of estates filed also contributed to the growth in Circuit Court Clerk fees. A new fee structure for bulk garbage collection generated additional revenue. EMS fees increased as a result of the rate increase effective April 1, 2002. While overall revenue in this category is up from the prior year due to fee increases and the establishment of new fees, several of these fees are under performing their estimates.

Miscellaneous Revenue declined 58.62% or \$152,000. In the prior year, funding was transferred from the Parking Fund to partially support the subsidy provided to the Greater Roanoke Transit Company (GRTC). However, this subsidy is being funded by the General Fund in the current year. In addition, a larger amount of surplus property sales proceeds were received in the prior year.

EXPENDITURES AND ENCUMBRANCES

General fund expenditures and encumbrances have decreased 1.11% or \$1,523,000 compared to FY02. Variances in individual expenditure categories are discussed as follows:

Public Works expenditures declined 5.56% or \$960,000. Expenditures of the Solid Waste Management Division were down significantly due to lower overtime and contract labor charges. The purchase of eight new vehicles in the current year eliminated the need to rent equipment, while tipping fees paid to the Roanoke Valley Resource Authority declined due to increased recycling efforts. Paving program expenditures are down in the current year but should be comparable to the prior year as paving projects proceed in the spring. Park amenities such as trash cans, benches, tables and bleachers totaling approximately \$130,000 were purchased in FY02, without a corresponding expenditure in the current year.


Parks, Recreation and Cultural expenditures declined 8.58% or \$293,000. Personal services costs of the Recreation department decreased. Several labor-intensive program cuts, the elimination of a project assistant position and shortened hours at pool facilities caused temporary wage costs to decline. In addition, pool supplies, a scoreboard and miscellaneous furnishings and appliances for the fitness centers were purchased in the prior year. Personal services costs of the Library decreased as several positions have been vacant during the year. Publications and subscription expenditures also decreased as spending was consciously limited in anticipation of funding reductions from the State.

Community Development expenditures increased 8.93% or \$292,000 due to an increase in Housing and Neighborhood Services costs. A reorganization in September 2001 resulted in new positions being added to handle changes in the code enforcement area. Additionally, internal service charges for Technology and Fleet increased in the current year, corresponding to the increase in personnel.

Transfer to Debt Service Fund increased 34.62% or \$3,896,000. The current fiscal year was the first year principal and interest payments were required for the Series 2002A General Obligation Bonds, and a larger principal payment was required on the Series 1997B Bonds, increasing the required transfer amount. The final principal and interest payments were made in the prior fiscal year for Series 1992 Refunding Bonds, partially offsetting these increases.

Nondepartmental expenditures decreased 44.45% or \$4,653,000. In the prior year, essentially all transfers to the Capital Projects Fund were made at the beginning of the year. To be consistent with other General Fund budgeted transfers, a portion of these transfers were made mid-year and the remainder are planned for the end of the year in FY03. This change is also reflective of a decrease in the amount to be transferred to the Capital Projects Fund and decreases in CMERP funding transferred to the Capital Projects and Department of Technology Funds in the current year.

I would be pleased to answer questions City Council may have regarding the monthly financial statements.


Director of Finance

JAH/tht
Attachments

**CITY OF ROANOKE, VIRGINIA
SUMMARY OF CITY MANAGER TRANSFERS
AND AVAILABLE CONTINGENCY
FEBRUARY 28, 2003**

| <u>Transfer Number</u> | <u>Date</u> | <u>Explanation</u> | <u>From</u> | <u>To</u> | <u>Amount</u> |
|--------------------------------------|-------------|---|-------------------------------------|---|-------------------|
| <u>General Fund:</u> | | | | | |
| CMT-1368 | 09/03/02 | The Art Project Feasibility Study | Contingency* | Memberships and Affiliations | \$ 37,500 |
| CMT-649 | 09/26/02 | American Flag Inventory | Police Patrol | Transportation-Engineering and Operations | 5,100 |
| CMT-651 | 11/12/02 | Terrorism Conference | Fire-Support | Environmental Services and Emergency Management | 1,195 |
| CMT-653 | 11/11/02 | Terrorism Conference | Police Training | Environmental Services and Emergency Management | 669 |
| CMT-657 | 12/02/02 | Reorganization of Neighborhood Partnership | Planning, Building and Development | Neighborhood Partnership | 13,659 |
| CMT-663 | 12/04/02 | Parking Lot Paving at Mountain View Recreation Center | Police Patrol | Parks | 11,900 |
| CMT-659 | 12/06/02 | Victory Stadium Parking Lot Grading | Parks and Recreation Administration | Transportation-Streets and Traffic | 3,900 |
| CMT-1403 | 12/18/02 | Temporary Wages | Crisis Intervention | Youth Haven | 3,800 |
| CMT-667 | 01/10/03 | Legal Fees | Police Patrol | Economic Development | 21,591 |
| CMT-677 | 01/14/03 | Fees For Professional Services | Contingency* | City Attorney | 30,000 |
| CMT-675 | 01/15/03 | Shredder | Police Patrol | Commissioner of the Revenue | 1,344 |
| CMT-679 | 02/03/03 | Temporary Architect Wages | Transfers To Other Funds | Engineering | 10,318 |
| CMT-687 | 02/21/03 | Supplement Operating Expenses | Contingency* | City Council | 43,175 |
| CMT-685 | 02/28/03 | Temporary Architect Wages | Transfers To Other Funds | Engineering | 4,006 |
| CMT-689 | 02/28/03 | Chemicals Purchase | Contingency* | Transportation-Snow Removal | 69,400 |
| Total General Fund | | | | | <u>\$ 257,557</u> |
| <u>Capital Projects Fund:</u> | | | | | |
| CMT-646 | 09/20/02 | Century Square Project | Special Park Project Grants | Sister City Century Square Upgrade | \$ 145 |
| CMT-646 | 09/20/02 | Century Square Project | Roanoke River Center Phase I | Sister City Century Square Upgrade | 3,855 |
| CMT-1385 | 10/31/02 | Final Household Hazardous Waste Collection Day | Capital Improvement Reserve | Environmental Issues-PWSC | 5,000 |
| CMT-1385 | 10/31/02 | Final Household Hazardous Waste Collection Day | Capital Improvement Reserve | Settlement State DEQ-PWSC | 60,000 |
| CMT-665 | 01/06/03 | Environmental Cleanup | Smith Park Riparian | Environmental Issues-PWSC | 22,992 |
| Total Capital Projects Fund | | | | | <u>\$ 91,992</u> |

**CITY OF ROANOKE, VIRGINIA
SUMMARY OF CITY MANAGER TRANSFERS
AND AVAILABLE CONTINGENCY
FEBRUARY 28, 2003
(CONTINUED)**

| <u>Transfer Number</u> | <u>Date</u> | <u>Explanation</u> | <u>From</u> | <u>To</u> | <u>Amount</u> |
|---|-------------|-----------------------------|-------------------|--------------------------------|--------------------------|
| <u>Available Contingency</u> | | | | | |
| Balance of Contingency at July 1, 2002 | | | | | \$ 476,300 |
| *Contingency Transfers From Above | | | | | (180,075) |
| Contingency Appropriations Through Budget Ordinances: | | | | | |
| BO 36022 | 08/19/02 | Drug Prosecutor Local Match | Contingency | Transfer to Grant Fund | (9,381) |
| BO 36154 | 12/16/02 | Virginia Exile Grant Unused | Transfer to Grant | | |
| | | Local Match | Fund | Contingency | 13,643 |
| BO 36239 | 02/21/03 | Snow Removal | Contingency | Transportation-Snow Removal | (115,000) |
| Available Contingency at February 28, 2003 | | | | | <u><u>\$ 185,487</u></u> |

**CITY OF ROANOKE, VIRGINIA
GENERAL FUND**

STATEMENT OF REVENUE

| Revenue Source | Year to Date for the Period | | | Current Fiscal Year | |
|--|------------------------------|------------------------------|-------------------------|---------------------------------|---|
| | July 1 - Feb 28 2001-2002 | July 1 - Feb 28 2002-2003 | Percentage of Change | Revised Revenue Estimates | Percent of Revenue Estimate Received |
| General Property Taxes | \$ 26,052,632 | \$ 27,698,230 | 6.32 % | \$ 78,340,707 | 35.36% |
| Other Local Taxes | 31,240,884 | 32,186,725 | 3.03 % | 59,301,164 | 54.28% |
| Permits, Fees and Licenses | 673,080 | 571,143 | -15.14 % | 1,030,694 | 55.41% |
| Fines and Forfeitures | 715,222 | 853,014 | 19.27 % | 1,116,350 | 76.41% |
| Revenue from Use of Money and Property | 628,519 | 662,268 | 5.37 % | 1,082,729 | 61.17% |
| Grants-in-Aid Commonwealth | 24,427,107 | 23,851,113 | -2.36 % | 45,687,395 | 52.21% |
| Grants-in-Aid Federal Government | 17,179 | 17,179 | 0.00 % | 34,300 | 50.08% |
| Charges for Services | 2,434,814 | 2,793,771 | 14.74 % | 4,353,761 | 64.17% |
| Miscellaneous Revenue | 258,965 | 107,153 | -58.62 % | 315,045 | 34.01% |
| Internal Services | 1,448,238 | 1,337,403 | -7.65 % | 2,302,219 | 58.09% |
| Total | \$ 87,896,640 | \$ 90,077,999 | 2.48 % | \$ 193,564,364 | 46.54% |

STATEMENT OF EXPENDITURES AND ENCUMBRANCES

| Expenditures | Year to Date for the Period | | | Current Fiscal Year | | |
|-----------------------------------|------------------------------|------------------------------|-------------------------|-------------------------|---------------------------|-----------------------------------|
| | July 1 - Feb 28 2001-2002 | July 1 - Feb 28 2002-2003 | Percentage of Change | Unencumbered Balance | Revised Appropriations | Percent of Budget Obligated |
| General Government | \$ 7,957,283 | \$ 7,635,769 | -4.04 % | \$ 4,059,743 | \$ 11,695,512 | 65.29% |
| Judicial Administration | 3,881,980 | 4,043,632 | 4.16 % | 2,249,774 | 6,293,406 | 64.25% |
| Public Safety | 31,400,207 | 30,447,412 | -3.03 % | 16,003,874 | 46,451,286 | 65.55% |
| Public Works | 17,250,791 | 16,291,064 | -5.56 % | 8,624,989 | 24,916,053 | 65.38% |
| Health and Welfare | 17,028,826 | 17,185,076 | 0.92 % | 10,263,677 | 27,448,753 | 62.61% |
| Parks, Recreation and Cultural | 3,412,274 | 3,119,526 | -8.58 % | 1,686,603 | 4,806,129 | 64.91% |
| Community Development | 3,273,672 | 3,566,147 | 8.93 % | 1,958,227 | 5,524,374 | 64.55% |
| Transfer to Debt Service Fund | 11,253,451 | 15,149,128 | 34.62 % | 1,697,914 | 16,847,042 | 89.92% |
| Transfer to School Fund | 30,685,339 | 31,836,308 | 3.75 % | 15,572,248 | 47,408,556 | 67.15% |
| Nondepartmental | 10,468,719 | 5,815,887 | -44.45 % | 5,124,538 | 10,940,425 | 53.16% |
| Total | \$ 136,612,542 | \$ 135,089,949 | -1.11 % | \$ 67,241,587 | \$ 202,331,536 | 66.77% |

Note:

Prior year financial statements have been restated to conform to current year presentation.

**CITY OF ROANOKE, VIRGINIA
SCHOOL FUND STATEMENT OF REVENUE**

| Revenue Source | Year to Date for the Period | | | Current Fiscal Year | |
|----------------------------------|------------------------------|------------------------------|-------------------------|---------------------------------|---|
| | July 1 - Feb 28 2001-2002 | July 1 - Feb 28 2002-2003 | Percentage of Change | Revised Revenue Estimates | Percent of Revenue Estimate Received |
| State Sales Tax | \$ 4,616,067 | \$ 4,513,653 | -2.22 % | \$ 9,226,504 | 48.92 % |
| Grants-in-Aid Commonwealth | 24,721,199 | 26,333,178 | 6.52 % | 43,236,695 | 60.90 % |
| Grants-in-Aid Federal Government | 53,707 | 82,612 | 53.82 % | 115,298 | 71.65 % |
| Charges for Services | 1,066,240 | 1,377,253 | 29.17 % | 2,127,968 | 64.72 % |
| Transfer from General Fund | 30,685,339 | 31,836,308 | 3.75 % | 47,408,556 | 67.15 % |
| Special Purpose Grants | 5,144,330 | 6,617,542 | 28.64 % | 9,430,985 | NA |
| Total | \$ 66,286,882 | \$ 70,760,546 | 6.75 % | \$ 111,546,006 | 63.44 % |

SCHOOL FUND STATEMENT OF EXPENDITURES AND ENCUMBRANCES

| Expenditures | Year to Date for the Period | | | Current Fiscal Year | | |
|------------------------|------------------------------|------------------------------|-------------------------|-------------------------|---------------------------|-----------------------------------|
| | July 1 - Feb 28 2001-2002 | July 1 - Feb 28 2002-2003 | Percentage of Change | Unencumbered Balance | Revised Appropriations | Percent of Budget Obligated |
| Instruction | \$ 46,279,762 | \$ 47,434,562 | 2.50 % | \$ 28,445,948 | \$ 75,880,510 | 62.51 % |
| General Support | 2,238,062 | 2,322,936 | 3.79 % | 1,711,036 | 4,033,972 | 57.58 % |
| Transportation | 2,450,728 | 2,592,719 | 5.79 % | 1,449,499 | 4,042,218 | 64.14 % |
| Operation and | | | | | | |
| Maintenance of Plant | 6,224,423 | 6,970,087 | 11.98 % | 3,971,326 | 10,941,413 | 63.70 % |
| Facilities | 1,532,819 | 1,628,592 | 6.25 % | 502,731 | 2,131,323 | 76.41 % |
| Other Uses of Funds | 5,816,531 | 6,275,072 | 7.88 % | 796,647 | 7,071,719 | 88.73 % |
| Special Purpose Grants | 9,752,261 | 9,430,985 | -3.29 % | - | 9,430,985 | NA |
| Total | \$ 74,294,586 | \$ 76,654,953 | 3.18 % | \$ 36,877,187 | \$ 113,532,140 | 67.52 % |

Note:

Prior year financial statements have been restated to conform to current year presentation.

**CITY OF ROANOKE, VIRGINIA
SCHOOL FOOD SERVICES FUND STATEMENT OF REVENUE**

| Revenue Source | Year to Date for the Period | | | Current Fiscal Year | |
|----------------------------------|------------------------------|------------------------------|-------------------------|---------------------------------|---|
| | July 1 - Feb 28 2001-2002 | July 1 - Feb 28 2002-2003 | Percentage of Change | Revised Revenue Estimates | Percent of Revenue Estimate Received |
| Grants-in-Aid Commonwealth | \$ 84,483 | \$ 85,171 | 0.81 % | \$ 84,464 | 100.84 % |
| Grants-in-Aid Federal Government | 1,348,980 | 1,405,676 | 4.20 % | 2,747,730 | 51.16 % |
| Charges for Services | 955,959 | 848,021 | -11.29 % | 1,689,923 | 50.18 % |
| Total | \$ 2,389,422 | \$ 2,338,868 | -2.12 % | \$ 4,522,117 | 51.72 % |

SCHOOL FOOD SERVICES FUND STATEMENT OF EXPENDITURES AND ENCUMBRANCES

| Expenditures | Year to Date for the Period | | | Current Fiscal Year | | |
|---------------|------------------------------|------------------------------|-------------------------|-------------------------|---------------------------|-----------------------------------|
| | July 1 - Feb 28 2001-2002 | July 1 - Feb 28 2002-2003 | Percentage of Change | Unencumbered Balance | Revised Appropriations | Percent of Budget Obligated |
| Food Services | \$ 2,857,413 | \$ 2,638,842 | -7.65 % | \$ 1,886,649 | \$ 4,525,491 | 58.31 % |
| Facilities | - | 24,092 | 100.00 % | 25,315 | 49,407 | 48.76 % |
| Total | \$ 2,857,413 | \$ 2,662,934 | -6.81 % | \$ 1,911,964 | \$ 4,574,898 | 58.21 % |

**CITY OF ROANOKE, VIRGINIA
CAPITAL PROJECTS FUND
STATEMENT OF EXPENDITURES, ENCUMBRANCES, AND
UNENCUMBERED APPROPRIATIONS SUMMARY AS OF FEBRUARY 28, 2003**

| | Budget | Expenditures To Date | Unexpended Balance | Outstanding Encumbrances | Unobligated Balance |
|-----------------------------|-----------------------|---------------------------------|-------------------------------|-------------------------------------|--------------------------------|
| General Government | \$ 11,178,639 | \$ 8,974,144 | \$ 2,204,495 | \$ 296,938 | \$ 1,907,557 |
| Flood Reduction | 18,695,464 | 7,625,349 | 11,070,115 | 211,197 | 10,858,918 |
| Economic Development | 25,185,051 | 15,849,481 | 9,335,570 | 91,333 | 9,244,237 |
| Community Development | 6,924,402 | 5,041,253 | 1,883,149 | 491,617 | 1,391,532 |
| Public Safety | 8,234,803 | 6,938,235 | 1,296,568 | 14,100 | 1,282,468 |
| Recreation | 25,570,198 | 4,915,520 | 20,654,678 | 1,469,018 | 19,185,660 |
| Streets and Bridges | 26,114,907 | 17,319,932 | 8,794,975 | 1,626,125 | 7,168,850 |
| Storm Drains | 3,516,831 | 2,241,614 | 1,275,217 | 430,148 | 845,069 |
| Traffic Engineering | 5,240,051 | 4,274,667 | 965,384 | 152,711 | 812,673 |
| Capital Improvement Reserve | 415,749 | - | 415,749 | - | 415,749 |
| Total | \$ 131,076,095 | \$ 73,180,195 | \$ 57,895,900 | \$ 4,783,187 | \$ 53,112,713 |

**CITY OF ROANOKE, VIRGINIA
SCHOOL CAPITAL PROJECTS FUND
STATEMENT OF EXPENDITURES, ENCUMBRANCES, AND
UNENCUMBERED APPROPRIATIONS SUMMARY AS OF FEBRUARY 28, 2003**

| | Budget | Expenditures To Date | Unexpended Balance | Outstanding Encumbrances | Unobligated Balance |
|------------------------------------|----------------------|---------------------------------|-------------------------------|-------------------------------------|--------------------------------|
| Elementary Schools Renovation | \$ 18,287,351 | \$ 5,741,695 | \$ 12,545,656 | \$ 10,715,181 | \$ 1,830,475 |
| Middle Schools Renovation | 983,188 | 962,732 | 20,456 | 1,824 | 18,632 |
| High Schools Renovation | 277,679 | 277,526 | 153 | 153 | - |
| Transportation Facility Renovation | 1,000,000 | 68,134 | 931,866 | 561,676 | 370,190 |
| Interest Expense | 262,929 | 228,608 | 34,321 | - | 34,321 |
| Capital Improvement Reserve | 356,271 | - | 356,271 | - | 356,271 |
| Total | \$ 21,167,418 | \$ 7,278,695 | \$ 13,888,723 | \$ 11,278,834 | \$ 2,609,889 |

**CITY OF ROANOKE, VIRGINIA
CAPITAL PROJECTS FUND
COMPARATIVE STATEMENT OF REVENUES
FOR THE EIGHT MONTHS ENDING FEBRUARY 28, 2003**

| | <u>FY 2003</u> | <u>FY 2002</u> |
|--|-----------------------------------|------------------------------------|
| Interest Revenue: | | |
| Interest on Bond Proceeds | \$ 702,289 | \$ 379,557 |
| Interest on SunTrust Lease | 451 | 11,013 |
| Interest on Idle Working Capital | <u>205,603</u> | <u>344,502</u> |
| Total Interest Revenue | <u>908,343</u> | <u>735,072</u> |
| Multi Year Revenues: | | |
| Intergovernmental Revenue: | | |
| Federal Government: | | |
| FEMA - Regional Mitigation Project | - | 19,223 |
| Commonwealth: | | |
| Passenger Station Improvement - ISTE A | 279,790 | - |
| VDES - Garden City Mitigation Project | - | 10,143 |
| Mill Mountain Greenway - ISTE A | 152,679 | - |
| Virginia Transportation Museum - ISTE A | 357,791 | 16,176 |
| Railside Linear Walk - ISTE A | <u>298,564</u> | <u>-</u> |
| Total Intergovernmental Revenue | <u>1,088,824</u> | <u>45,542</u> |
| Revenue from Third Parties: | | |
| Advance Stores Governor's Opportunity Fund Agreement | 170,000 | - |
| First Union Job Grant Repayment | 31,200 | 44,400 |
| Anthem Insurance - Land Sale | - | 100 |
| Times-World Corporation - Land Sale | - | 3,100 |
| Mill Mountain Greenway - Fralin Trust Donation | <u>20,000</u> | <u>-</u> |
| Total Revenue from Third Parties | <u>221,200</u> | <u>47,600</u> |
| Other Revenue: | | |
| Transfer from General Fund | 2,098,999 | 5,147,517 |
| Transfer from Water Fund | - | 375,000 |
| Transfer from Fleet Management Fund | 41,940 | - |
| General Obligation Bond Proceeds - Series 2002 | <u>-</u> | <u>41,530,000</u> |
| Total Other Revenue | <u>2,140,939</u> | <u>47,052,517</u> |
| Total | <u><u>\$ 4,359,306</u></u> | <u><u>\$ 47,880,731</u></u> |

**CITY OF ROANOKE, VIRGINIA
WATER FUND
COMPARATIVE INCOME STATEMENT
FOR THE EIGHT MONTHS ENDING FEBRUARY 28, 2003**

| | <u>FY 2003</u> | <u>FY 2002</u> |
|---|------------------------------|--------------------------|
| Operating Revenues | | |
| Commercial Sales | \$ 2,853,720 | \$ 2,845,328 |
| Domestic Sales | 2,253,322 | 2,146,977 |
| Industrial Sales | 388,346 | 456,881 |
| Town of Vinton | 17,941 | 19,071 |
| City of Salem | 23,002 | 17,589 |
| County of Botetourt | 153,037 | 137,485 |
| County of Bedford | 19,633 | 11,765 |
| Customer Services | 214,688 | 453,680 |
| Charges for Services | 1,990,301 | 1,761,204 |
| Total Operating Revenues | <u>7,913,989</u> | <u>7,849,980</u> |
| Operating Expenses | | |
| Personal Services | 2,888,576 | 2,876,032 |
| Operating Expenses | 3,744,080 | 2,998,924 |
| Purchased Water - Roanoke County | 1,907,359 | - |
| Purchased Water - City of Salem | 589,419 | - |
| Depreciation | 1,108,380 | 1,116,362 |
| Total Operating Expenses | <u>10,237,814</u> | <u>6,991,318</u> |
| Operating Income (Loss) | <u>(2,323,825)</u> | <u>858,662</u> |
| Nonoperating Revenues (Expenses) | | |
| Interest on Investments | 64,456 | 147,673 |
| Rent | 76,000 | 50,726 |
| Sale of Land | - | 375,000 |
| Miscellaneous Revenue | 37,432 | 41,217 |
| Transfer to Capital Projects Fund | - | (375,000) |
| Transfer to Department of Technology Fund | (41,146) | - |
| Interest and Fiscal Charges | (681,072) | (690,152) |
| Net Nonoperating Expenses | <u>(544,330)</u> | <u>(450,536)</u> |
| Net Income (Loss) | <u><u>\$ (2,868,154)</u></u> | <u><u>\$ 408,126</u></u> |

Note: Prior year financial statements have been restated to conform to current year presentation.

**CITY OF ROANOKE, VIRGINIA
WATER POLLUTION CONTROL FUND
COMPARATIVE INCOME STATEMENT
FOR THE EIGHT MONTHS ENDING FEBRUARY 28, 2003**

| | <u>FY 2003</u> | <u>FY 2002</u> |
|---|----------------------------|----------------------------|
| Operating Revenues | | |
| Sewage Charges - City | \$ 3,959,254 | \$ 4,316,259 |
| Sewage Charges - Roanoke County | 793,494 | 439,261 |
| Sewage Charges - Vinton | 157,364 | 126,845 |
| Sewage Charges - Salem | 667,351 | 471,582 |
| Sewage Charges - Botetourt County | 126,048 | 86,314 |
| Customer Services | 210,710 | 142,813 |
| Interfund Services | 113,766 | 91,128 |
| Total Operating Revenues | <u>6,027,987</u> | <u>5,674,202</u> |
| Operating Expenses | | |
| Personal Services | 1,411,916 | 1,441,428 |
| Operating Expenses | 3,305,902 | 4,172,766 |
| Depreciation | 1,247,222 | 901,504 |
| Total Operating Expenses | <u>5,965,040</u> | <u>6,515,698</u> |
| Operating Income (Loss) | <u>62,947</u> | <u>(841,496)</u> |
| Nonoperating Revenues (Expenses) | | |
| Interest on Investments | 99,215 | 126,278 |
| Miscellaneous Revenue | 321 | 91 |
| Capital Contributions - Other Jurisdictions | 97,832 | 834,870 |
| Transfer to Department of Technology Fund | (27,248) | - |
| Interest and Fiscal Charges | (495,926) | (506,384) |
| Net Nonoperating Revenues (Expenses) | <u>(325,806)</u> | <u>454,855</u> |
| Net Loss | <u><u>\$ (262,860)</u></u> | <u><u>\$ (386,641)</u></u> |

Note: Prior year financial statements have been restated to conform to current year presentation.

**CITY OF ROANOKE, VIRGINIA
CIVIC CENTER FUND
COMPARATIVE INCOME STATEMENT
FOR THE EIGHT MONTHS ENDING FEBRUARY 28, 2003**

| | <u>FY 2003</u> | <u>FY 2002</u> |
|---|------------------------------|----------------------------|
| Operating Revenues | | |
| Rentals | \$ 156,390 | \$ 299,509 |
| Event Expenses | 77,586 | 163,921 |
| Display Advertising | 6,000 | 75,200 |
| Admissions Tax | 112,938 | 108,965 |
| Electrical Fees | 6,710 | 12,991 |
| Novelty Fees | 46,277 | 14,388 |
| Facility Surcharge | 45,760 | 108,356 |
| Charge Card Fees | 3,964 | 35,140 |
| Commissions | 52,352 | 3,165 |
| Catering/Concessions | 488,439 | 665,232 |
| Other | 8,716 | 13,258 |
| Total Operating Revenues | <u>1,005,132</u> | <u>1,500,125</u> |
| Operating Expenses | | |
| Personal Services | 1,271,528 | 1,295,275 |
| Operating Expenses | 1,394,546 | 1,287,127 |
| Depreciation | 405,158 | 329,984 |
| Total Operating Expenses | <u>3,071,232</u> | <u>2,912,386</u> |
| Operating Loss | <u>(2,066,100)</u> | <u>(1,412,261)</u> |
| Nonoperating Revenues (Expenses) | | |
| Interest on Investments | 18,533 | 20,517 |
| Transfer from General Fund | 726,843 | 726,843 |
| Transfer from Capital Projects Fund | - | 385,000 |
| Transfer to Debt Service Fund | (50,546) | - |
| Transfer to Department of Technology Fund | (47,754) | - |
| Loss on Disposal of Fixed Assets | (12,815) | - |
| Miscellaneous | 8,436 | 2,388 |
| Net Nonoperating Revenues | <u>642,697</u> | <u>1,134,748</u> |
| Net Loss | <u><u>\$ (1,423,403)</u></u> | <u><u>\$ (277,513)</u></u> |

**CITY OF ROANOKE, VIRGINIA
PARKING FUND
COMPARATIVE INCOME STATEMENT
FOR THE EIGHT MONTHS ENDING FEBRUARY 28, 2003**

| | <u>FY 2003</u> | <u>FY 2002</u> |
|---|--------------------------|-------------------------|
| Operating Revenues | | |
| Century Station Parking Garage | \$ 251,118 | \$ 258,809 |
| Williamson Road Parking Garage | 297,068 | 293,509 |
| Market Square Parking Garage | 152,885 | 143,718 |
| Church Avenue Parking Garage | 319,235 | 306,014 |
| Tower Parking Garage | 265,501 | 240,542 |
| Gainsboro Parking Garage | 25,130 | 1,930 |
| Williamson Road Surface Lots | 50,356 | 48,844 |
| Norfolk Avenue Surface Lot | 37,662 | 26,936 |
| Gainsboro Surface Lot | 22,257 | 19,040 |
| Other Surface Lots | 43,300 | - |
| | <u>1,464,512</u> | <u>1,339,342</u> |
| Total Operating Revenues | | |
| Operating Expenses | | |
| Operating Expenses | 707,934 | 545,171 |
| Depreciation | 368,352 | 360,661 |
| | <u>1,076,286</u> | <u>905,832</u> |
| Total Operating Expenses | | |
| Operating Income | <u>388,226</u> | <u>433,510</u> |
| Nonoperating Revenues (Expenses) | | |
| Interest on Investments | 7,778 | 17,420 |
| Transfer from General Fund | 118,518 | 32,000 |
| Transfer to General Fund | - | (104,918) |
| Interest and Fiscal Charges | (391,874) | (313,039) |
| Miscellaneous | - | 1,535 |
| | <u>(265,578)</u> | <u>(367,002)</u> |
| Net Nonoperating Expenses | | |
| Net Income | <u><u>\$ 122,647</u></u> | <u><u>\$ 66,508</u></u> |

**CITY OF ROANOKE, VIRGINIA
MARKET BUILDING FUND
INCOME STATEMENT
FOR THE EIGHT MONTHS ENDING FEBRUARY 28, 2003**

| | <u>FY 2003</u> |
|-------------------------------------|--------------------------|
| Operating Revenues | |
| Retail Space Rental | <u>\$ 47,652</u> |
| Total Operating Revenues | <u>47,652</u> |
| Operating Expenses | |
| Operating Expense | 14,275 |
| Depreciation | <u>1,224</u> |
| Total Operating Expenses | <u>15,499</u> |
| Operating Income | <u>32,153</u> |
| Nonoperating Revenues | |
| Interest on Investments | 585 |
| Transfer From Capital Projects Fund | 295,000 |
| Capital Contributions | <u>289,220</u> |
| Net Nonoperating Revenues | <u>584,805</u> |
| Net Income | <u><u>\$ 616,958</u></u> |

**CITY OF ROANOKE, VIRGINIA
HOTEL ROANOKE CONFERENCE CENTER COMMISSION
COMPARATIVE INCOME STATEMENT
FOR THE EIGHT MONTHS ENDED FEBRUARY 28, 2003**

| | <u>FY 2003</u> | <u>FY 2002</u> |
|---|----------------------------|----------------------------|
| Operating Expenses | | |
| Salaries and Fringe Benefits | \$ 32,647 | \$ 30,829 |
| Fees for Professional Services | 46,845 | 47,528 |
| Administrative Expenses | <u>2,576</u> | <u>36,451</u> |
| Total Operating Expenses | <u>82,068</u> | <u>114,808</u> |
| Nonoperating Revenues (Expenses) | | |
| Contributions from City of Roanoke | 93,750 | 131,250 |
| Contributions from Virginia Tech | 93,750 | 131,250 |
| Construction Repairs | - | (57,429) |
| Interest on Investments | <u>45,899</u> | <u>77,850</u> |
| Net Nonoperating Revenues | <u>233,399</u> | <u>282,921</u> |
| Net Income Before Depreciation | 151,331 | 168,113 |
| Depreciation Expense | <u>(340,824)</u> | <u>(303,061)</u> |
| Net Loss | <u>\$ (189,493)</u> | <u>\$ (134,948)</u> |

Note: Financial information represents activity of the Commission as accounted for in the City's financial records.

**CITY OF ROANOKE, VIRGINIA
INTERNAL SERVICE FUNDS
COMPARATIVE INCOME STATEMENT
FOR THE EIGHT MONTHS ENDING FEBRUARY 28, 2003**

| | Department of Technology | Fleet Management | Risk Management | TOTALS | |
|--|--------------------------------|---------------------|---------------------|--------------------|---------------------|
| | | | | FY 2003 | FY 2002 |
| Operating Revenues | | | | | |
| Charges for Services | \$ 2,746,414 | \$ 3,123,603 | \$ 7,025,092 | \$ 12,895,109 | \$ 11,643,221 |
| Total Operating Revenues | 2,746,414 | 3,123,603 | 7,025,092 | 12,895,109 | 11,643,221 |
| Operating Expenses | | | | | |
| Personal Services | 1,469,806 | 850,467 | 100,069 | 2,420,342 | 2,456,525 |
| Operating Expenses | 903,595 | 1,186,923 | 7,901,554 | 9,992,072 | 8,538,302 |
| Depreciation | 478,618 | 1,369,134 | - | 1,847,752 | 1,656,707 |
| Total Operating Expenses | 2,852,019 | 3,406,524 | 8,001,623 | 14,260,166 | 12,651,534 |
| Operating Loss | (105,605) | (282,921) | (976,531) | (1,365,057) | (1,008,313) |
| Nonoperating Revenues (Expenses) | | | | | |
| Interest Revenue | 59,630 | 14,192 | 130,468 | 204,290 | 337,031 |
| Interest Expense | (5,778) | (51,770) | - | (57,548) | (44,885) |
| Transfers From General Fund | 629,229 | 817,338 | 250,000 | 1,696,567 | 3,375,886 |
| Transfer From Water Fund | 41,146 | - | - | 41,146 | - |
| Transfer From Water Pollution Control Fund | 27,248 | - | - | 27,248 | - |
| Transfer From Civic Center Fund | 47,754 | - | - | 47,754 | - |
| Transfer to Capital Projects Fund | - | (41,940) | - | (41,940) | - |
| Transfer to Grant Fund | - | - | - | - | (41,350) |
| Loss on Disposal of Fixed Assets | - | (1,504) | - | (1,504) | (44,034) |
| Other Revenue | - | - | - | - | 10,184 |
| Net Nonoperating Revenues | 799,229 | 736,316 | 380,468 | 1,916,013 | 3,592,832 |
| Net Income (Loss) | \$ 693,624 | \$ 453,395 | \$ (596,063) | \$ 550,956 | \$ 2,584,519 |

Note: Prior year financial statements have been restated to conform to current year presentation.

CITY OF ROANOKE, VIRGINIA
CITY TREASURER'S OFFICE
GENERAL STATEMENT OF ACCOUNTABILITY
FOR THE MONTH ENDED FEBRUARY 28, 2003

TO THE DIRECTOR OF FINANCE:

GENERAL STATEMENT OF ACCOUNTABILITY OF THE CITY TREASURER OF THE CITY OF ROANOKE, VIRGINIA FOR THE FUNDS OF SAID CITY FOR THE MONTH ENDED FEBRUARY 28, 2003.

| FUND | BALANCE AT JAN 31, 2003 | RECEIPTS | DISBURSEMENTS | BALANCE AT FEB 28, 2003 | BALANCE AT FEB 28, 2002 |
|----------------------------|----------------------------|------------------------|------------------------|----------------------------|----------------------------|
| GENERAL | (\$13,833,534.91) | \$13,308,864.08 | \$16,802,158.79 | (\$17,326,829.62) | (\$17,509,993.38) |
| WATER | 3,863,174.36 | 600,895.38 | 755,169.51 | 3,708,900.23 | 12,286,862.31 |
| WATER POLLUTION CONTROL | 8,443,439.68 | 1,591,614.73 | 1,773,936.38 | 8,261,118.03 | 7,088,521.11 |
| CIVIC FACILITIES | 1,565,273.47 | 16,247.23 | 518,896.46 | 1,062,624.24 | 3,183,173.08 |
| PARKING | 229,911.80 | 240,580.76 | 124,527.87 | 345,964.69 | 2,297,394.61 |
| CAPITAL PROJECTS | 56,976,832.57 | 99,350.75 | 873,429.88 | 56,202,753.44 | 68,359,633.16 |
| MARKET BUILDING OPERATIONS | 316,468.58 | 35,244.07 | 11,200.83 | 340,511.82 | 0.00 |
| CONFERENCE CENTER | 3,816,221.90 | 63,091.10 | 7,523.79 | 3,871,789.21 | 4,228,662.44 |
| RKE VALLEY DETENTION COMM | 0.00 | 0.00 | 0.00 | 0.00 | 2,326,340.99 |
| DEBT SERVICE | 10,870,729.59 | 3,652,606.55 | 0.00 | 14,523,336.14 | 14,185,189.89 |
| DEPT OF TECHNOLOGY | 5,479,335.48 | 182,411.86 | 307,626.59 | 5,354,120.75 | 5,928,537.16 |
| MATERIALS CONTROL | 0.00 | 0.00 | 0.00 | 0.00 | 270,857.02 |
| FLEET MANAGEMENT | 1,679,448.66 | 125,737.00 | 520,625.71 | 1,284,559.95 | 1,172,531.04 |
| PAYROLL | (11,660,898.93) | 14,619,684.66 | 14,820,253.54 | (11,861,467.81) | (11,434,632.64) |
| RISK MANAGEMENT | 11,176,009.55 | 1,267,516.65 | 868,997.00 | 11,574,529.20 | 11,667,508.64 |
| PENSION | 613,872.97 | 1,377,531.01 | 1,443,265.45 | 548,138.53 | 783,161.55 |
| SCHOOL FUND | 9,106,830.86 | 6,991,346.72 | 6,329,230.52 | 9,768,947.06 | 6,124,937.65 |
| SCHOOL CAPITAL PROJECTS | 8,730,085.29 | 704,226.45 | 73,249.94 | 9,361,061.80 | 6,746,458.32 |
| SCHOOL FOOD SERVICE | 415,130.82 | 116,688.16 | 360,143.79 | 171,675.19 | (86,975.75) |
| FDETC | 74,613.60 | 100,588.45 | 86,683.09 | 88,518.96 | 28,852.24 |
| GRANT | 1,320,066.20 | 525,654.33 | 337,088.43 | 1,508,632.10 | 702,986.44 |
| TOTAL | \$99,183,011.54 | \$45,619,879.94 | \$46,014,007.57 | \$98,788,883.91 | \$118,350,005.88 |

CERTIFICATE

I HEREBY CERTIFY THAT THE FOREGOING IS A TRUE STATEMENT OF MY ACCOUNTABILITY TO THE CITY OF ROANOKE, VIRGINIA, FOR THE FUNDS OF THE VARIOUS ACCOUNTS THEREOF FOR THE MONTH ENDED FEBRUARY 28, 2003.
THAT SAID FOREGOING:

CASH:

| | |
|--------------|--------------|
| CASH IN HAND | \$10,044.90 |
| CASH IN BANK | 1,864,551.26 |

INVESTMENTS ACQUIRED FROM COMPETITIVE PROPOSALS:

| | |
|--|------------------------|
| COMMERCIAL HIGH PERFORMANCE MONEY MARKET | 9,463,381.50 |
| LOCAL GOVERNMENT INVESTMENT POOL | 19,234,415.03 |
| MONEY MANAGEMENT ACCOUNT | 10,352,282.61 |
| REPURCHASE AGREEMENTS | 5,000,000.00 |
| U. S. AGENCIES | 10,400,000.00 |
| VIRGINIA AIM PROGRAM (U. S. SECURITIES) | 42,464,208.61 |
| TOTAL | \$98,788,883.91 |

DATE: MARCH 18, 2003


DAVID C. ANDERSON, TREASURER

**CITY OF ROANOKE PENSION PLAN
STATEMENT OF CHANGES IN PLAN NET ASSETS
FOR THE EIGHT MONTHS ENDED FEBRUARY 28, 2003**

| | <u>FY 2003</u> | <u>FY 2002</u> |
|--|-----------------------------|-----------------------------|
| <u>Additions:</u> | | |
| Employer Contributions | \$ 2,672,612 | \$ 2,592,219 |
| Investment Income | | |
| Net Appreciation (Depreciation) in Fair Value of Investments | (24,577,349) | (12,111,429) |
| Interest and Dividend Income | 1,653,443 | 2,326,814 |
| Total Investment Income (Loss) | (22,923,906) | (9,784,615) |
| Less Investment Expense | 151,459 | 34,477 |
| Net Investment Income (Loss) | (23,075,365) | (9,819,092) |
| Total Additions (Deductions) | <u>\$ (20,402,753)</u> | <u>\$ (7,226,873)</u> |
| <u>Deductions</u> | | |
| Benefits Paid to Participants | \$ 11,025,445 | \$ 9,817,623 |
| Administrative Expenses | 285,744 | 285,163 |
| Total Deductions | <u>11,311,189</u> | <u>10,102,786</u> |
| Net Increase (Decrease) | (31,713,942) | (17,329,659) |
| Net Assets Held in Trust for Pension Benefits: | | |
| Fund Balance, July 1 | 289,534,315 | 326,337,980 |
| Fund Balance, February 28 | <u><u>\$257,820,373</u></u> | <u><u>\$309,008,321</u></u> |

**CITY OF ROANOKE PENSION PLAN
BALANCE SHEET
FEBUARY 28, 2003**

| | <u>FY 2003</u> | <u>FY 2002</u> |
|--|------------------------------|------------------------------|
| <u>Assets</u> | | |
| Cash | \$ 547,398 | \$ 782,215 |
| Investments, at Fair Value | 258,679,803 | 309,470,837 |
| Due from Other Funds | 1,590 | 2,073 |
| Other Assets | <u>5,785</u> | <u>5,434</u> |
| Total Assets | <u>\$ 259,234,576</u> | <u>\$ 310,260,559</u> |
| <u>Liabilities and Fund Balance</u> | | |
| Liabilities: | | |
| Due to Other Funds | \$ 1,414,203 | \$ 1,246,020 |
| Accounts Payable | <u>-</u> | <u>6,218</u> |
| Total Liabilities | <u>1,414,203</u> | <u>1,252,238</u> |
| Fund Balance: | | |
| Fund Balance, July 1 | 289,534,315 | 326,337,980 |
| Net Gain (Loss) - Year to Date | <u>(31,713,942)</u> | <u>(17,329,659)</u> |
| Total Fund Balance | <u>257,820,373</u> | <u>309,008,321</u> |
| Total Liabilities and Fund Balance | <u>\$ 259,234,576</u> | <u>\$ 310,260,559</u> |



CITY OF ROANOKE

DEPARTMENT OF FINANCE

215 Church Avenue, S.W., Room 461

P.O. Box 1220

Roanoke, Virginia 24006-1220

Telephone: (540) 853-2821

Fax: (540) 853-6142

JESSE A. HALL

Director of Finance

email: jesse_hall@ci.roanoke.va.us

ANN H. SHAWVER

Deputy Director

email: ann_shawver@ci.roanoke.va.us

April 7, 2003

The Honorable Ralph K. Smith, Mayor
 The Honorable C. Nelson Harris, Vice-Mayor
 The Honorable William D. Bestpitch, Council Member
 The Honorable William H. Carder, Council Member
 The Honorable M. Rupert Cutler, Council Member
 The Honorable Alfred T. Dowe, Jr., Council Member
 The Honorable Linda F. Wyatt, Council Member

Dear Mayor Smith and Members of City Council:

Subject: Debt Policy

A debt policy is one component of sound financial management of a local government. The importance of a debt policy is recognized by bond rating agencies, and development of a debt policy is a recommended practice by the Government Finance Officers Association. A debt policy establishes the parameters for issuing debt and managing the debt portfolio. It provides guidance regarding purposes for which debt may be issued, types and amounts of permissible debt and method of sale that may be used. City Council originally adopted the City's debt policy in September 1999.

At the annual Financial Planning Session, a commitment was made to review the City's Debt Policy and to bring forth any recommended changes to the policy. After coordination with our financial advisor and analysts at the municipal bond rating agencies, we have made several enhancements and revisions to our debt policy. The major changes are outlined as follows:

- We have added guidance concerning investment policy for proceeds from bond issuance. Such guidance is similar to that typically recommended for municipal investment.
- We have removed the self-imposed target of net debt per capita of \$2,000. We found that few comparative cities within the First Cities coalition utilized this target. We have added the self-imposed target of principal redemption within a ten year period equal to 50% or more of aggregate outstanding principal.

The Honorable Mayor and Members of Council

April 7, 2003


Page 2

- We have added language to clarify occasions when the City may issue debt through a method other than competitive sale. We have also added guidance concerning the savings which should be targeted in order to justify an advance refunding of debt.

We believe these changes and enhancements are important in allowing the City to continue to demonstrate a commitment to long-term financial planning. The debt policy will continue to be used in conjunction with the Capital Improvement Programs for both the City and School Board. Adherence to this policy will help assure protection of the City's double-A bond rating credit quality into the future.

We recommend City Council adopt the accompanying resolution amending the City's Debt Policy in accordance with the attached policy.

Respectfully submitted,



Jesse A. Hall
Director of Finance

Attachment

c: Darlene L. Burcham, City Manager
Mary F. Parker, City Clerk
William M. Hackworth, City Attorney
Barry L. Key, Director of Management & Budget

City of Roanoke, Virginia

Debt Policy

Introduction

One of the keys to sound financial management is the development of a debt policy. This need is recognized by bond rating agencies, and development of a debt policy is a recommended practice by the Government Finance Officers Association. A debt policy establishes the parameters for issuing debt and managing the debt portfolio. It provides guidance to the administration regarding purposes for which debt may be issued, types and amounts of permissible debt and method of sale that may be used. The following debt policy is intended to demonstrate a commitment to long-term financial planning. It will be used in conjunction with the Capital Improvement Programs for both the City and School Board. Adherence to this policy will help assure protection of the City's double-A bond rating credit quality.

Guidelines for Debt Issuance

- The City will prepare and update annually a five-year Capital Improvement Program (CIP) to be approved by City Council. The CIP will be developed with an analysis of the City's infrastructure and other capital needs, and the financial impact of the debt service required to meet the recommended financing plan.
- As part of the annual Capital Improvement Program, the Schools shall furnish the City a schedule of funding needs for any school projects for which the issuance of long-term debt is planned.
- Each project proposed for financing through debt issuance will have an analysis performed for review of tax impact and future operating costs associated with the project and related debt issuance costs.
- The City's preferred method of sale of bonds is via competitive sale to underwriters. If deemed most advantageous, the City may sell bonds via a negotiated sale, private placement, or other method. Coordination will be made with the City's financial advisor in arriving at a recommendation to issue bonds through other than competitive sale.
- All proceeds from debt issuance for the City of Roanoke and the City of Roanoke School Board shall be appropriated by City Council.

- All proceeds from the issuance of debt shall be invested through consultation of the Director of Finance with the City Treasurer. Such proceeds shall only be invested in investments permitted by Federal, State and Local law as it relates to public funds with the following objectives:
 1. Safety – Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the portfolio. Specifically, the City will:
 - a. Seek to avoid any loss on the sale or disposal of an investment; and
 - b. Seek to mitigate the risk of unrealized losses due to a decline in value of investments.
 2. Liquidity – The investment portfolio shall remain sufficiently liquid to meet all cash requirements that may be reasonably anticipated. This shall be accomplished by structuring the portfolio in the following manner:
 - a. Investments will be scheduled to mature in accordance with anticipated cash needs, in order to minimize the need to sell investments prior to maturity;
 - b. A portion of funds will be maintained in cash equivalents which may be easily liquidated without a loss of principal should an unexpected need for cash arise.
 3. Yield – The investment portfolio shall be designed with the objective of maximizing a fair rate of return consistent with the investment risk constraints and cash flow characteristics of the portfolio. Consideration shall be made with regard to the arbitrage yield and the City’s goal of maximizing allowable investment earnings.
- Proceeds from the issuance of debt shall be monitored by the investment custodian with regard to arbitrage. Compliance with all applicable federal tax requirements shall be made. The City will coordinate with its investment managers with regard to expected project funds payout so as to maximize investment earnings in light of federal arbitrage requirements.
- Long-term debt will be issued to purchase or construct capital improvements or equipment with a minimum expected life of five years. The City will not use long-term borrowing to finance annual operating needs. The term of any bond issue will not exceed the useful life of the capital project/facility or equipment for which the borrowing is intended.
- The City will attempt to avoid short-term debt to provide cash flow for annual operations. Debt issued for operating purposes will be limited to cases where there is reasonable certainty that a known source of revenue will be received in the current fiscal year sufficient to repay the debt or where there is a clear financial emergency.
- The City will comply with all applicable U.S. Internal Revenue Service and U.S. Treasury

arbitrage requirements for bonded indebtedness in order to preserve the tax-exempt status of such bonds.

- Bond issues should be planned to minimize the frequency of issuance, thereby ensuring the lowest possible costs of issuance. When determining the size of a bond issue, consideration should be given to the need for construction, debt service and capitalized interest funds. Construction fund draw schedules shall be prepared, and projection of conservative earnings on unspent bond funds should be made in conjunction with planning of the City's Capital Improvement Program.

The decision to use bond proceeds to pay interest during construction for revenue-producing projects shall be made on a case by case basis and shall be based on an evaluation of the opportunity cost of funds and the availability of other sources of funds to pay interest costs.

- General obligation bonds will be amortized on a level principal basis to the extent practical, and revenue bonds will be amortized on a level debt service basis to the extent practical considering the forecasted available pledged revenues. Principal payments on all indebtedness should begin within eighteen months of the issuance unless forecasted pledged revenues necessitate additional delay.
- The City shall not endorse the obligations of any entity other than the City of Roanoke or Roanoke School Board. However, the City may enter into contracts with other regional or local public entities with respect to public purpose projects, which provide for certain payments when project or entity revenues prove insufficient to cover debt service on obligations issued to finance such project(s). The City will enter into these type agreements only when there is a long-term public and financial interest in the regional or local project. These obligations could be structured as Moral Obligation Bonds, or with an underlying support agreement or other contractual arrangement. These obligations do not affect the legal debt limit of the City and any payments are subject to annual appropriation. However, if such payments were made, the obligations would be considered tax-supported debt.

Limitations on Level of Debt to be Issued and Outstanding

Constitutional and Statutory Limitations:

- Article VII, Section 10 of the Constitution of Virginia, the Public Finance Act and the City Charter establishes the City's Legal Debt Margin at 10% of the assessed value of real estate within the City shown by the last preceding assessment for taxes.
- The Public Finance Act and the City Charter also establish other limits as to the amounts and types of debt the City may issue.

Self-Imposed Debt Targets:

- Net tax-supported debt as a percentage of the assessed value of real estate in the City will not exceed 5%.
- Tax-supported general obligation debt service shall not exceed 10% of General Fund expenditures.
- Tax-supported debt will be structured in a manner such that not less than 50% of the aggregate outstanding tax-supported debt will be retired within ten years.

Types of Debt Issuance

- The City may issue general obligation debt for capital or other properly approved projects.
- The School Board may use the Virginia Public School Authority (VPSA), Qualified Zone Academy Bonds (QZAB), or State Literary Fund loans to finance school capital projects. Such debt issued on behalf of the School Board constitutes general obligation debt of the City. The City Manager and the Director of Finance shall approve any application to the Commonwealth of Virginia for such debt. City Council shall approve the issuance of the bonds as required by the Public Finance Act. The School Board shall approve such financings before requesting City Council approval.
- The City may issue revenue bonds to fund proprietary activities such as water and water pollution control utilities, or for other capital projects that generate adequate revenues from user fees to support operations and debt service. The bonds will include written legal covenants which require that revenue sources are adequate to fund annual operating expenses and annual debt service requirements.
- Capital leases may be used to purchase buildings, equipment, furniture and fixtures. The term of any capital lease shall not exceed the useful life of the asset leased. Revenue bonds may be issued by the City or other entity that are secured by a City capital lease(s).
- The City may issue bond anticipation notes (BANS) in expectation of general obligation bonds or revenue bonds when cash flow is required in order for the capital project to be initiated or continued, or when market conditions do not appear favorable on a given date. BANS will not be issued to mature more than two years from their date of issuance.

Advance Refunding of Debt

- The City shall issue refunding bonds to realize net present value savings, eliminate onerous covenants or provisions in outstanding bond documents, or in the event of financial emergencies or hardships.
- Interest rates on outstanding debt shall be continuously monitored in relation to current market conditions to determine if an advance refunding of an outstanding bond issue will achieve interest cost savings to justify the refunding.
- When contemplating an advance refunding, the City's goal will be to obtain net present value savings, net of issuance costs, of at least three percent of the principal amount of the refunded bonds. When circumstances justify lesser savings, it is understood that this goal may not be achieved.
- Unless the purpose of the refunding is to restructure debt service, refunding bonds shall be structured such that savings are realized to the extent possible throughout the remaining life of the bonds rather than in the early years of the bonds.
- The City shall consult with its financial advisor prior to issuing any indebtedness to refund any outstanding bonds.

Investor Relations, Disclosure and Communication

- The debt ratios outlined above will be computed annually and reported in the Comprehensive Annual Financial Report, along with a computation of net tax-supported debt per capita.
- The City will maintain communication with bond rating agencies to keep them abreast of its financial condition by providing them the City's Comprehensive Annual Financial Report, Annual Budget, and Capital Improvement Program.
- The City will comply with all of its undertakings in accordance with Securities and Exchange Commission Rule 15c2-12 and the City will follow the Government Finance Officers Association and Securities and Exchange Commission requirements for continuing disclosure.

Debt Service Fund Balance

- The fund balance of the Debt Service Fund shall be reserved for the future payment of annual principal and interest payments, which includes general obligation bonds of the City, including school debt. General obligation bonds specifically issued for Proprietary Fund purposes shall be excluded. The target level of the Debt Service Fund balance shall be an amount equal to the current year general obligation debt service.

Definitions

- Advance refunding - A refinancing transaction in which new (refunding) bonds are issued to repay (refund) outstanding bonds prior to the first call date. The proceeds of the refunding bonds are deposited in an escrow account, invested in government securities, and used to pay debt service (interest, principal and premium, if any) on the refunded bonds through the applicable call date. For accounting purposes, refunded obligations are not considered a part of an issuer's debt.
- Appropriation-supported debt - Obligations that are not considered general obligations of the City for which the debt service is subject to annual appropriation (e.g. capital leases, etc.).
- Bond anticipation notes or BANS - Notes issued by the City for capital projects, which are paid from the issuance of long-term bonds.
- General obligation bond - Bonds issued pursuant to Article VII, Section 10 of the Constitution of Virginia and the Public Finance Act secured by the full faith, credit and taxing power of the City.
- Capital lease - A lease obligation that has met the criteria to be categorized as a capital lease as opposed to an operating lease under generally accepted accounting principles. Capital leases are common in certain types of financing transactions involving the use of revenue bonds as opposed to general obligation bonds.
- Capitalized interest - A portion of the proceeds of a bond issue which is set aside to pay interest on the bonds for a specific period of time. Interest is typically capitalized for bonds issued to finance a revenue-producing project to pay debt service until the project is completed and begins generating revenues.
- Debt - Any obligations of the City for the payment of money issued pursuant to the Public Finance Act of Virginia.
- Debt service reserve fund - A fund established at issuance into which monies are deposited which may be used to pay debt service if pledged revenues are insufficient to satisfy the debt service requirements. The debt service reserve fund is typically funded at closing with bond proceeds but may be funded over time depending on the structure. Such a fund is an integral component of a moral obligation bond issue.
- Defeasance - Termination of the rights and interests of the bondholders and their lien on the pledged revenues in accordance with the terms of the bond contract for a bond issue. Defeasance usually occurs in connection with the refunding of outstanding bonds after provision has been made for future payment through funds provided by the issuance of the new refunding bonds.

- Double-barreled bond - A bond secured by both a defined source of revenue (other than property taxes) plus the full faith and credit of the City.
- Legal debt margin - The amount of general obligation bonds and certain other interest bearing obligations (other than revenue bonds) that the City may have outstanding expressed as a percentage of the assessed value of real estate in the City as shown on the last preceding assessment for taxes.
- Moral obligation bond - A bond which is secured by the revenues from the financed project and, additionally, by a non-bonding agreement that any deficiency in pledged revenues will be reported to the issuer's legislative body (City Council) which may appropriate moneys to make up the shortfall. Typically the mechanics involve a debt service reserve fund which is drawn upon to make up for any deficiency in pledged revenues. The legislative body is then requested to replenish the reserve fund but is not obligated to do so. These bonds are considered tax-supported debt and impact debt capacity to the extent that pledged revenues are ever insufficient to support debt service.
- Refunding - A transaction in which the City refinances an outstanding issue by issuing new (refunding) bonds and using the proceeds to immediately retire the old (refunded) bonds.
- Revenue bond - A bond that is payable from a specific source of revenue and to which the full faith and credit of the City's taxing power is not pledged. Revenue bonds are payable from identified sources of revenue, including general fund revenues on occasion, for certain types of appropriation-supported bonds.
- Tax-supported debt - Debt that is expected to be repaid from the general fund tax revenues of the City. This includes general obligation bonds, appropriation-supported bonds, capital leases and in certain circumstances moral obligation bonds. For the purpose of this Debt Policy, net tax-supported debt includes general obligation debt for the City and School Board, certain bonded capital leases, and any moral obligation bonds for which the City has deposited funds to a debt service reserve fund as requested to replenish such reserve fund. Net tax-supported debt does not include debt payable by the City's proprietary funds, including self-supporting double-barreled general obligation bonds, and the amount available in the City's debt service fund.
- True interest cost - This is a method of computing the City's cost of borrowing through the bond market. It is defined as the rate, compounded semi-annually, necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the new issue.

421

IN THE COUNCIL OF THE CITY OF ROANOKE, VIRGINIA,

A RESOLUTION approving and adopting a Debt Policy for the City of Roanoke.

WHEREAS, the Government Finance Officers Association and other organizations recommended that local governments develop and adopt debt policies as part of their financial management systems and this Council did so on September 7, 1999, by Resolution No. 34475-090799; and

WHEREAS, the Director of Finance has developed a proposed new Debt Policy for the City and transmitted to the Council for its consideration by a report dated April 7, 2003; and

WHEREAS, the Council believes that the proposed Debt Policy will establish suitable parameters for the issuance of debt by the City and for the management of the City's debt portfolio.

THEREFORE, BE IT RESOLVED by the Council of the City of Roanoke that the Debt Policy which has been transmitted to Council by a letter of the Director of Finance dated April 7, 2003, be and it is hereby approved and adopted as the Debt Policy of the City of Roanoke.

ATTEST:

City Clerk.